COMMERZBANK AKTIENGESELLSCHAFT

Frankfurt am Main

Base Prospectus

as of March 17, 2011

relating to

Warrants

COMMERZBANK

CONTENT

SUMMARY

This summary provides an overview of what are, in the opinion of the Issuer, the main risks associated with the Issuer and the Securities issued by the Issuer under this Base Prospectus. This summary is not exhaustive. It should be read as an introduction to this Base Prospectus. Investors should base any decision to invest in the Securities on a review of this Base Prospectus as a whole (including any supplements thereto) as well as the relevant Final Terms.

Commerzbank Aktiengesellschaft (the "**Issuer**", the "**Bank**" or "**Commerzbank**" and, together with its consolidated subsidiaries, "**Commerzbank Group**" or the "**Group**") may have civil liability in respect of this summary; such liability, however, applies only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the relevant Final Terms.

Where a claim relating to information contained in this Base Prospectus and the relevant Final Terms is brought before a court in a member state of the European Economic Area, the plaintiff investor may, under the national legislation of such member state, be required to bear the costs of translating this Base Prospectus (including any supplements thereto) and the relevant Final Terms before the legal proceedings are initiated.

SUMMARY OF INFORMATION AND SUMMARY OF RISK FACTORS RELATING TO THE SECURITIES

The purchase of warrants issued under this Base Prospectus (the "**Warrants**") is associated with certain risks. In respect of Warrants that, in view of their specific structure, require a special description of the relevant risk factors, a supplementary description of the special risk factors associated with the relevant Warrants in addition to the list set out below will be included in the Final Terms where required. The information set forth hereinafter and in the Final Terms merely describes the major risks that are associated with an investment in the Warrants in the Issuer's opinion. In this regard, however, **the Issuer expressly points out that the description of the risks associated with an investment in the Warrants is not exhaustive**.

In addition, the order in which such risks are presented does not indicate the extent of their potential commercial effects in the event that they are realised, or the likelihood of their realisation. The realisation of one or more of said risks may adversely affect the assets, finances and profits of Commerzbank Aktiengesellschaft or the value of the Warrants themselves.

Moreover, additional risks that are not known at the date of preparation of this Base Prospectus and the relevant Final Terms or currently believed to be immaterial could likewise have an adverse effect on the value of the Warrants.

The occurrence of one or more of the risks disclosed in this Base Prospectus, any supplement and/or the relevant Final Terms or any additional risks may lead to a material and sustained loss and, depending on the structure of the Warrant, even result in the **total loss** of the investor's capital.

Investors should purchase the Warrants only if they are able to bear the risk of losing the capital invested, including any transaction costs incurred.

Potential investors in the Warrants must in each case determine the suitability of the relevant investment in light of their own personal and financial situation. In particular, potential investors should in each case:

- have sufficient knowledge and experience to make a meaningful evaluation of the Warrants, the merits and risks of investing in the Warrants and/or the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all the information contained in the relevant Final Terms;

- have sufficient financial resources and liquidity to bear all of the risks associated with an investment in the Warrants;

- understand thoroughly the Terms and Conditions pertaining to the Warrants and be familiar with the behaviour of any relevant Underlying and the financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the value of their investment and be able to bear the associated risks.

These risk warnings do not substitute advice by the investor's bank or by the investor's legal, business or tax advisers, which should in any event be obtained by the investor in order to be able to assess the consequences of an investment in the Warrants. Investment decisions should not be made solely on the basis of the risk warnings set out in this Base Prospectus, any supplement and/or the relevant Final Terms since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of the investor concerned.

RISK FACTORS RELATING TO THE WARRANTS

The Warrants issued under this Base Prospectus are subject to - potentially major - price fluctuations and may involve the risk of a **complete or partial loss** of the invested capital (including any costs incurred in connection with the purchase of the Warrants). Since, in the case of Warrants, the Cash Amount is linked to an Underlying (e.g. a share, index, commodity (e.g. a precious metal), futures contract, bond or exchange rate), Warrants are investments that might not be suitable for all investors.

The Warrants may have complex structures, which the investor might not fully understand. The investor might therefore underestimate the actual risk that is associated with a purchase of the Warrants. Therefore, potential investors should study carefully the risks associated with an investment in the Warrants (with regard to the Issuer, the type of Warrants and/or the Underlying, as applicable), as well as any other information contained in this Base Prospectus, any supplements thereto as well as the relevant Final Terms, and possibly consult their personal (including tax) advisors. Prior to purchasing Warrants, potential investors should ensure that they fully understand the mechanics of the relevant Warrants and that they are able to assess and bear the risk of a (**total**) loss of their investment. Prospective purchasers of Warrants should in each case consider carefully whether the Warrants are suitable for them in the light of their individual circumstances and financial position.

It is possible that the performance of the Warrants is adversely affected by several risk factors at the same time. The Issuer, however, is unable to make any reliable prediction on such combined effects.

<u>I. General Risks</u>

- **Deviation of the issue price from the market value and impact of incidental costs**

The issue price in respect of any Warrants is based on internal pricing models of the Issuer and may be higher than their market value. The pricing models of other market participants may deviate from the Issuer's internal pricing models and might produce different results.

The price that might be obtainable in the secondary market for the Warrants might be lower than their issue price.

The issue price (irrespective of any agio that might be payable) may include commissions and/or other fees relating to the issue and sale of the Warrants (including a margin), which are payable to distributors or third parties or may be retained by the Issuer. In addition, the issue price may include costs that are incurred in connection with the hedging of the Issuer's liabilities in relation to the issue of the Warrants. Prices in the secondary market normally do not include the aforesaid commissions and/or other fees.

- **Trading in the Warrants, reduction in liquidity**

Not every series of Warrants that is issued under this Base Prospectus will be included in the unofficial market of, or admitted to trading on, a stock exchange. Even if such an inclusion or admission takes place, it will not necessarily result in a high turnover in respect of the Warrants. After the Warrants have been included or admitted, their continued permanent inclusion or admission cannot be guaranteed. If such inclusion or admission (provided it took place) cannot be permanently maintained, it will be significantly more difficult to purchase and sell the relevant Warrants.

In addition, there does not exist a market maker for each series of Warrants, i.e. someone who undertakes to provide purchasing and selling prices for the Warrants pertaining to an issue subject to regular market conditions. Even if there is a market maker, the market maker does not undertake to provide the aforesaid prices under all circumstances. If there is a market maker, it is normally the Issuer that assumes this function.

In particular in the event of extraordinary market conditions or extremely volatile markets, the market maker will normally not provide any purchasing and selling prices. A market maker will provide purchasing and selling prices for the Warrants under regular market conditions only. However, even in the event of regular market conditions, the market maker does not assume any legal responsibility towards the holders of the Warrants to provide such prices and/or for the fact that such prices are reasonable. The market maker might undertake towards certain stock exchanges, in accordance with the relevant stock exchange rules, to provide purchasing and selling prices with regard to specific order or securities volumes under regular market conditions. That obligation, however, will be entered into towards the relevant stock exchange. Third parties, including the holders of the Warrants, are unable to derive any issuer obligation in this regard. This means that the holders of the Warrants cannot rely on their ability to sell the Warrants at a certain time or price. In particular, the market maker is not obliged to buy back the Warrants during their term.

Even if market making activities took place at the beginning or during the term of the Warrants, this does not mean that there will be market making activities for the full duration of the term of the Warrants.

For the aforesaid reasons, it cannot be guaranteed that a secondary market will develop with regard to the respective Warrants, which will provide the holders of the Warrants with an opportunity to sell on their Warrants. The more restricted the secondary market, the more difficult it will be for the holders of the Warrants to sell their Warrants in the secondary market. This also applies with regard to the Warrants' inclusion in an unofficial market of, or admission to trading on, a stock exchange.

In addition, it must be taken into account that the liquidity of the Warrants will be reduced if the Issuer repurchases Warrants and declares them void. Lower market liquidity may render the Warrants more volatile.

- **Determination of the price of the Warrants in the secondary market**

If there is a market maker for a series of Warrants, such market maker will determine the purchasing and selling prices for such Warrants in the secondary market on the stock exchange (if such a secondary market exists) and off the stock exchange on the basis of internal pricing models and a number of other factors. These factors may include the following parameters: actuarial value of the Warrants, price of the Underlying, supply and demand with regard to the Warrants, costs for risk hedging and risk assumption, margins and commissions.

Some of these factors may not have a consistent effect on the price of the Warrants based on the relevant pricing models for the duration of the term, but may be taken into account at the market maker's discretion at an earlier time in a pricing context. This might include a margin included in the issue price, management fees and paid or expected yields on the Underlying or its components (such as dividends), which - based on the characteristics of the Warrants - might be retained by the Issuer. Expected dividends on the Underlying or its components may be deducted prior to the "ex dividend" day in relation to the Underlying or its components, based on the expected yields for the entire term or a certain portion thereof. Any dividend estimate used by the market maker in its assessment may change during the term of the Warrants or deviate from the dividend generally expected by the market or the actual dividend. This can also affect the pricing process in the secondary market.

Thus, the prices provided by the market maker may deviate from the actuarial value of the Warrants and/or the price to be expected from a commercial perspective, which would have formed in a liquid market at the relevant time in which several market makers acting independently of each other provide prices. In addition, the market maker may change the method based on which it determines the prices provided by it at any time, e.g. by changing its pricing models or using other calculation models and/or increasing or reducing the bid/offer spread.

If, during the opening hours of secondary trading in the Warrants by the market maker and/or the opening hours of the stock exchanges on which the Warrants are admitted or included, the Underlying is also traded on its home market, the price of the Underlying will be taken into account in the price calculation of the Warrants. If, however, the home market of the Underlying is closed while the Warrants relating to that Underlying are traded, the price of the Underlying must be estimated. As the Warrants issued under this Base Prospectus are also offered at times during which the home markets of the Underlyings are closed, this risk may affect each Warrant. In particular, however, this applies to Underlyings that are traded in time zones far away from Central Europe, such as American or Asian shares or share indices from those regions. The same risk occurs where Warrants are traded on days during which the home market of the Underlying is closed because of a public holiday. If the price of the Underlying is estimated because its home market is closed, such an estimate may turn out to be accurate, too high or too low within hours in the event that the home market starts trading in the Underlying. Accordingly, the prices provided by the market maker prior to the opening of the relevant home market in respect of the Warrants will then turn out to be too high or too low.

- **Restricted secondary trading because of non-availability of electronic trading systems**

The market maker normally provides purchasing and selling prices for on- and off-exchange trading via an electronic trading system. If the availability of the relevant electronic trading system is restricted or even suspended, this will negatively affect the Warrants' tradability.

- **Conflicts of interest**

Conflicts of interest can arise in connection with the exercise of rights and/or obligations of the Issuer, the Calculation Agent or any other party (e.g. an index sponsor or external advisor) in accordance with the Terms and Conditions in respect of the Warrants (e.g. in connection with the determination or adaptation of parameters of the terms and conditions), which affect the amounts payable or the assets to be delivered.

The Issuer, the Calculation Agent or another party, as well as any of their affiliates, may enter into transactions in the Warrants' Underlyings for their own or their customers' account, which might have a positive or negative effect on the performance of the relevant Underlying and may thus have a negative effect on the value of the Warrants.

If the Underlying is a share, there is a possibility that the Issuer, the Calculation Agent or another party, as well as any of their affiliates, may hold shares in the company that issued the Underlying.

The party that performs a specific function in respect of the Warrants (e.g. that of calculation agent and/or index sponsor) might have to determine the calculation of the Underlying or calculate that value. This can lead to conflicts of interest if securities issued by that party can be chosen as Underlying.

In addition, the Issuer might issue additional derivative instruments with regard to the Underlying. An introduction of these new competing products can adversely affect the value of the Warrants.

In addition, the Issuer and its affiliates might now or in future maintain a business relationship with the issuer of one or more Underlyings (including with regard to the issue of other securities relating to the relevant Underlying or lending, depositary, risk management, advisory and trading activities). Such business activities may be carried out as a service for customers or on an own account basis. The Issuer and/or any of its affiliates will pursue actions and take steps that it or they deem necessary or appropriate to protect its and/or their interests arising there from without regard to any negative consequences this may have for the Warrants. Such actions and conflicts may include, without limitation, the exercise of voting rights, the purchase and sale of securities, financial advisory relationships and the exercise of creditor rights. The Issuer and any of its affiliates and their officers and directors may engage in any such activities without regard to the potential adverse effect that such activities may directly or indirectly have on any Warrants.

The Issuer and any of its affiliates may, in connection with their other business activities, possess or acquire material (including non-public) information about the Underlying. The Issuer and any of its affiliates have no obligation to disclose such information about the Underlying.

The Issuer may act as market maker for the Warrants and, in certain cases, the Underlying. In the context of such market making activities, the Issuer will substantially determine the price of the Warrants and possibly that of the Underlying and, thus, the value of the Warrants. The prices provided by the Issuer in its capacity as market maker will not always correspond to the prices that would have formed in the absence of such market making and in a liquid market.

- **Hedging risks**

The Issuer and its affiliates may hedge themselves against the financial risks associated with the issue of the Warrants by performing hedging activities in relation to the relevant Underlying. Such activities in relation to the Warrants may influence the market price of the Underlying to which the Warrants relate. This will particularly be the case at the end of the term of these Warrants. It cannot be ruled out that the conclusion and release of hedging positions may have a negative influence on the value of the Warrants or payments to which the holder of the Warrants is entitled.

In addition, investors may not be able to enter into hedging transactions that exclude or limit their risks in connection with the purchase of the Warrants. The possibility to enter into such hedging transactions depends on market conditions and the respective Underlying terms and conditions.

- **Interest rate and inflationary risks, currency risks**

The market for the Warrants is influenced by the economic and market conditions, interest rates, exchange rates and inflation rates in Europe and other countries and regions. Events in Europe and in other parts of the world can lead to higher market volatility and thus have an adverse effect on the value of the Warrants. In addition, the economic situation and the market conditions can have negative consequences for the value of the Warrants.

Currency risks for the purchaser arise in particular in those cases where (i) the Underlying is denominated in a different currency than the Warrants, (ii) the Warrants are denominated in a different currency than the official currency of the purchaser's home country or (iii) the Warrants are denominated in a different currency than the currency in which the purchaser receives payments.

Exchange rates are subject to supply and demand factors on the international money markets, which are in turn influenced by macroeconomic factors, speculation and measures implemented by governments and central banks (e.g. foreign exchange controls and restrictions). The value of the Warrants or the amount of the potentially due payment might be reduced because of exchange rate fluctuations.

The only time at which Warrants with a so-called "quanto element" (an in-built currency hedge that determines a fixed exchange rate at the time of issue) are not subject to a currency risk in relation to the settlement currency and the currency of the Underlying is the time of final maturity. This, however, does not apply during the term of the Warrants. If Warrants with a quanto element are sold during their term on the secondary market, they are also subject to an unlimited currency risk. This is because, during the term of the Warrants, the economic value of the quanto hedge will fluctuate depending on various influencing factors. Prior to final maturity, the price of Warrants with a quanto element, despite unchanged price-influencing factors, can react to exchange rate fluctuations.

As payments are made at the fixed exchange rate, the investor will not benefit from a positive development of the exchange rate at the time of maturity in the event of a currency hedge via the quanto element. In addition, when purchasing Warrants with a quanto element, investors must assume that the purchase price of the Warrants includes costs in respect of the quanto hedge.

- **Offer volume**

The offer volume specified in the relevant Final Terms corresponds to the maximum total amount of Warrants offered but is no indication of which volume of Warrants will be actually issued. The actual volume depends on the market conditions and may change during the term of the Warrants. Therefore, investors should note that the specified offer volume does not allow any conclusions as to the liquidity of the Warrants in the secondary market.

- **Time delay following exercise**

In the case of Warrants that provide for an exercise option (American Warrants), a time delay may occur between the point in time at which the investor opts to exercise the Warrants and/or the day on which the Warrants are exercised automatically and the point in time at which the Cash Amount in respect of such exercise is determined. Any such delay between the time of exercise and the time at which the Cash Amount is determined will be described in greater detail in the relevant Terms and Conditions. In particular in the event of a Market Disruption, however, such a delay may apply for much longer. The price of the relevant Underlying may fall significantly during that period, so that the Cash Amount may even be zero.

- **Correct exercise and declaration obligation in respect of Warrants**

In the case of Warrants that provide for an exercise option (American Warrants), the effectiveness of the exercise of the Warrants will depend upon the submission of an exercise declaration and the delivery of the Warrants to the Warrant Agent. Potential purchasers of Warrants should review the respective Final Terms, in particular the relevant Terms and Conditions set out therein, as to the exercise conditions that might have to be met with regard to their Warrants.

- **Exercise restrictions in respect of Warrants**

In the case of Warrants with shares as Underlying, the Terms and Conditions may provide that it may not be possible to exercise the option right on the day on which the ordinary shareholder meeting of the company having issued the shares decides upon the distribution of a dividend to its shareholders and possibly also on the exchange business day immediately preceding that day.

- **Minimum exercise threshold in respect of Warrants**

If the Terms and Conditions provide that a minimum exercise threshold applies in respect of the Warrants, then those holders that do not hold the requisite minimum number of Warrants will either be forced to sell their existing Warrants or to purchase additional Warrants; transaction costs will be incurred in either case.

- **Use of loans**

If the investor finances the purchase of the Warrants through a loan, he– in the event that he/ loses some or all of the invested capital – has not only to bear the loss incurred but will also have to pay the interest and repay the loan. In that case, the exposure to loss increases considerably. Investors should never assume that they will be able to repay the loan including interest out of the payments on the Warrants or – in case of a sale of the Warrants before maturity – out of the proceeds from such sale. The purchaser of Warrants rather has to consider in advance on the basis of his financial situation whether he will still be able to pay the interest or repay the loan at short notice if the expected profits turn into losses.

- **Transaction costs**

Transaction costs that are charged by the custodian bank and/or the stock exchange via which an investor places his purchase and/or selling order may reduce any profits and/or increase any losses. In the case of a total loss in respect of a Warrant, the transaction costs will increase the loss incurred by the relevant investor.

- **Warrants are unsecured obligations (Status)**

The obligations under the Warrants constitute direct and unconditional obligations of the Issuer that are not subject to a real charge (*nicht dinglich besichert*) and, unless otherwise provided by applicable law, rank at least *pari passu* with all other unsubordinated obligations of the Issuer that are not subject to a real charge. They are neither secured by the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands deutscher Banken e.V.*) nor by the German Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*).

This means that the investor bears the risk that the Issuer's financial situation may worsen - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer therefore might be unable to make any payments due under the Warrants. **Under these circumstances, a total loss of the investor's capital might be possible.**

The Issuer may enter into hedging transactions in the relevant underlying, but is under no obligation to do so. If hedging transactions are entered into, they shall exclusively inure to the benefit of the Issuer, and the investors shall have no entitlement whatsoever to the underlying or with respect to the hedging transaction. Hedging transactions entered into by the Issuer shall not give rise to any legal relationship between the investors and those responsible for the underlying.

- **Impact of a downgrading of the credit rating**

The value of the Warrants is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings given to the Issuer's outstanding securities by rating agencies such as Moody's Investors Services Inc., Fitch Ratings Ltd, a subsidiary of Fimalac, S.A., and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. Any downgrading of the Issuer's rating (if any) by even one of these rating agencies could result in a reduction in the value of the Warrants.

- **Applicability of investment restrictions**

Certain investors may be subject to legal investment restrictions.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities (this particularly applies to Warrants). Each potential investor should consult his legal advisers to determine whether and to what extent (a) the purchase of Warrants represents a legal investment for him, (b) Warrants can be used as collateral for various types of financing and (c) other restrictions apply to his purchase or pledge of any Warrants. Investors who are subject to official supervision should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Warrants under any applicable risk-based capital or similar rules.

- **Taxes and other duties**

The Terms and Conditions may provide that all taxes or other duties payable at the level of the Issuer or the holders of the Warrants on payments made in relation to the Warrants are to be borne by the holders of the Warrants. In that case, the Issuer will not pay any additional amounts to the holders of the Warrants on account of any such taxes or duties.

- **Substitution of the Issuer**

If the conditions set out in the Terms and Conditions are met, the Issuer is entitled at any time, without the consent of the holders of the Warrants, to appoint another company as the new Issuer with regard to all obligations arising out of or in connection with the Warrants in its place. In that case, the holder of the Warrants will generally also assume the insolvency risk with regard to the new Issuer.

- **Change of law**

The Terms and Conditions in respect of the Warrants are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

II. Risks resulting from linking the Warrants to an Underlying and structure of the Warrants

Certain factors are of great significance with regard to the assessment of the risks associated with an investment in the Warrants issued under this Base Prospectus. These factors depend on the type of Warrants and the type of Underlying used in each individual case.

- **General**

An investment in the Warrants issued under this Base Prospectus entails significant additional risks, which include risks in relation to the Underlying(s) as well as risks solely associated with the Warrants themselves.

Such risks include, without limitation:

a) that the payments to be made under the Terms and Conditions of the Warrants depend on the performance of one or more Underlying(s), so that the Cash Amount may be lower than the original purchase price of the Warrant or no payment may take place at all.

   A link to the performance of one or more Underlying(s) also has an effect on the value of the Warrants. In that context, the value of the Warrants will normally fall if the price of the Underlying goes down (without taking into account special characteristics of the Warrants and without taking into account exchange rate changes in those cases where the Warrants are issued in EUR, the Underlying is expressed in a currency other than EUR and the Cash Amount is thus converted from a currency other than EUR).

b) that, pursuant to the Terms and Conditions of the Warrants, payments can occur at times other than those expected by the investor (e.g. in the case of early redemption in the event of an Extraordinary Event as described in the Terms and Conditions);

c) that the consequences listed in (i) (reduction and/or non-occurrence of repayment) will occur for the particular reason that insolvency proceedings have been instituted with regard to the assets of the issuer of the Underlying or proceedings comparable to insolvency proceedings under German law are instituted or the Issuer ceases its payments or announces that it is unable to pay its debts when due or if similar events occur in relation to the issuer of the Underlying;

d) that various fees are levied by the Issuer, an affiliate of the Issuer or a third party, which reduce the payments under the Warrants. For instance, management fees might be levied with regard to the composition and calculation of an index, basket, fund or other Underlying, or performance or other fees might be incurred in connection with the performance of an Underlying and/or components of such Underlying;

e) that the risks of investing in the Warrants encompass both risks relating to the Underlying and risks that are unique to the Warrants as such;

f) that investors may be unable to hedge their exposure to the various risks relating to the Warrants;

g) that the Underlying to which the Warrants relate ceases to exist during the term of the Warrants or might be replaced by another Underlying (this not only applies to actively managed Underlyings, but also to Underlyings that are effectively static), and that the investor, depending on the characteristics of the Warrant and the Underlying, might not always know the future underlying or its composition when purchasing the Warrant; and

h) that the value of Warrants on a possible secondary market is subject to greater fluctuations and thus greater risks than the value of other securities as it is dependent on one or several Underlyings. The performance of an Underlying is in turn subject to a series of factors beyond the Issuer's control. Such factors are influenced to a significant degree by the risks on the share, debt and foreign exchange markets, the interest rate development, the volatility of the relevant Underlyings as well as economic, political and regulatory risks, and/or a combination of the aforesaid risks.

The secondary market, if any, for Warrants will be affected by a number of additional factors, irrespective of the creditworthiness of the Issuer and the value of the respective Underlying(s). These include, without limitation, the volatility of the relevant Underlying, as well as the remaining term and the outstanding volume of the respective Warrant.

- **Leverage effect**

One of the defining characteristics of Warrants is their so-called leverage effect: A change in the value of the relevant Underlying may result in a disproportionate change in the value of the Warrant. The leverage effect of Warrants can go **both** ways – i.e. not only to the investor's advantage in the case of a favourable, but also to the investor's disadvantage in the case of an unfavourable development of the price of the Underlying. **This means that Warrants are associated with a disproportionate risk of loss.**

Therefore, when buying Warrants, investors must take into account that, while the leverage effect associated with the Warrants changes over the term of the Warrants, the associated loss risk will increase accordingly. In addition, investors should note that the leverage effect will normally be correspondingly higher towards the end of the (residual) term of the Warrants, i.e. the closer the Warrants are to being "at the money" and/or near a barrier set out in the Final Terms.

- **Factors regarding the formation of prices in the secondary market**

The price of Warrants is calculated on the basis of various factors, such as the Underlying's current price and volatility and the current interest level, each in relation to the Warrants' residual term.

Therefore, a reduction in the Warrants' value will also occur whenever the Underlying's price remains constant during the term of the Warrants.

This means that investors should verify, without limitation, the following factors prior to purchasing Warrants: (i) the Underlying's value and volatility, (ii) the residual term, (iii) changes in interest rates and dividend yields, (iv) exchange rate fluctuations, (v) market depth or liquidity of the Underlying, (vi) possible transaction costs and, (vii) in the event of a sale, the price and tradability of the Warrants in the secondary market.

- **Extraordinary termination, early redemption and adjustment rights**

In accordance with the Terms and Conditions of the Warrants, the Issuer will in some cases be entitled to perform adjustments with regard to the aforesaid Terms and Conditions or to terminate or call for early redemption of the Warrants if certain conditions are met. These conditions are described in the relevant Terms and Conditions.

Any adjustment of the Terms and Conditions may have a negative effect on the value of the Warrants as well as the Cash Amount to be claimed by the investor.

The Cash Amount of the Warrants in the event of their termination may be lower than the amount the holders of the Warrants would have received without such termination. In addition, unwind costs in connection with an early redemption may be deducted when determining the termination amount to be paid in the event of a termination in accordance with the Terms and Conditions. Such unwind costs may comprise all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the early redemption of the Warrants and the related termination, settlement or re-establishment of any hedge or related trading position.

Furthermore, investors bear the risk that they may invest the amounts received upon termination only at a rate of return which is lower than that of the terminated Warrants.

- **Maximum Amount**

In the case of Warrants where the Terms and Conditions provide that the payment under the Warrants is capped to a Maximum Amount, the investor will not participate in the further performance of the Underlying that may be beneficial to the investor. While, on the one hand, the investor's yield is capped to the Maximum Amount, the investor may on the other hand have to bear the full loss risk in the case of an adverse performance of the Underlying.

- **Market disruption and postponement of payments**

In the case of Warrants, the Issuer may be entitled to determine market disruptions or other events that might result in a postponement of a calculation and/or of any payments and that might affect the value of the Warrants.

In addition, in certain cases stipulated in the Terms and Conditions, the Issuer (especially if a market disruption lasts several days) may estimate certain prices that are relevant with regard to payments or the reaching of barriers (leading to the Warrants being worthless). These estimates may deviate from their actual value.

- **No claim against the issuer of an Underlying**

Warrants do not give rise to any payment or other claims towards the issuers of the Underlyings to which those Warrants relate. If the payments by the Issuer are less than the purchase price paid by the holder of the Warrants, such holder will not have recourse to the issuer of the Underlying.

- **No interest payments or other distributions**

The Warrants issued under this Base Prospectus do not provide for periodic interest payments or other distributions during their term. Investors should be aware that the Warrants will not generate any current income. Possible losses in relation to the value of the Warrants can therefore not be compensated by any other income from the Warrants.

III. Risk factors relating to the Underlying

The value of a Warrant's Underlying depends upon a number of factors that may be interconnected. These may include economic, financial and political events beyond the Issuer's control.

The past performance of an Underlying should not be regarded as an indicator of its future performance during the term of the Warrants.

- **Particular risks of Warrants with shares as Underlying**

Warrants relating to shares are associated with particular risks beyond the Issuer's control, such as the risk that the respective company will be rendered insolvent, the risk that the share price will fluctuate or risks that occur in relation to dividend payments by the company. The performance of the shares depends to a very significant extent on developments on the capital markets, which in turn depend on the general global economic situation and more specific economic and political conditions. Shares in companies with low to medium market capitalisation may be subject to even higher risks (e.g. relating to their volatility or insolvency) than is the case for shares in larger companies. Moreover, shares in companies with low capitalisation may be extremely illiquid as a result of low trading volumes.

Shares in companies which have their statutory seat or significant business operations in countries with limited certainty of law are subject to additional risks such as, for instance, government interventions or nationalisation which may lead to a total or partial loss of the invested capital or of access to the capital invested in that country. This may result in a total or partial loss in relation to the value of the share. The realisation of such risks may also result in a total or partial loss of the invested capital for holders of Warrants that are linked to such shares.

Holders of Warrants that are linked to shares, unlike investors which directly invest in the shares, do not receive dividends or other distributions payable to the holders of the underlying shares.

If the Underlying consists of securities in lieu of shares (e.g. American Depositary Receipts ("**ADRs**") or Global Depositary Receipts ("**GDRs**"), together "**Depositary Receipts**"), additional risks might occur. ADRs are securities issued in the United States of America that take the form of participation certificates in relation to a portfolio of shares held in the home country of the issuer of the underlying shares outside the United States of America. GDRs are also securities that take the form of participation certificates in relation to a portfolio of shares held in the home country of the issuer of the underlying shares. They normally differ from the participation certificates referred to as ADRs in that they are publicly offered and/or issued outside the United States of America. Each Depositary Receipt represents one or more shares or a fraction of a security in a foreign corporation. In the case of both types of Depositary Receipt, the legal owner of the underlying share is the depositary bank, which also acts as the issuing agent of the Depositary Receipts.

Depending on the jurisdiction in which the Depositary Receipts were issued and the laws by which the depositary contract is governed, it cannot be ruled out that the holder of the Depositary Receipts may not be recognised as the actual beneficial owner of the underlying shares in the relevant jurisdiction. Particularly in the case that the depositary bank becomes insolvent and/or debt enforcement proceedings are initiated with regard to it, the relevant underlying shares may be subjected to disposal restrictions and/or utilised commercially in the context of debt enforcement measure undertaken against the depositary bank. In that case, the relevant holder will forfeit the rights in the underlying shares represented by the relevant Depositary Receipt. This means that the Depositary Receipt as Underlying will be rendered worthless, so that the securities relating to that Depositary Receipt (except in the case of reverse structures) will also be rendered worthless. In such a scenario, the investor faces a risk of total loss subject to a possible unconditional minimum repayment amount or other (partial) capital protection.

It must also be taken into account that the depositary bank may stop offering Depositary Receipts at any time and that, in that case or if the depositary bank becomes insolvent, the issuer of these Warrants will, subject to more detailed provisions set out in the Terms and Conditions of the Warrants, be entitled to adjust the Terms and Conditions and/or terminate the Warrants.

- **Particular risks of Warrants with indices as Underlying**

Warrants that are linked to one or several indices involve, in particular, the following risks:

Dependency on the value of the index components

The value of an index is calculated on the basis of the value of its components. Changes in the prices of index components, the composition of an index as well as factors that (may) influence the value of the index components also influence the value of the Warrants that relate to the relevant index and can thus influence the yield from an investment in the relevant Warrants. Fluctuations in the value of one index component may be compensated or aggravated by fluctuations in the value of other index components. The past performance of an index does not represent any guarantee of its future performance. Under certain circumstances, an index used as an Underlying may (i) not be available for the full term of the Warrants, (ii) be substituted or (iii) continue to be calculated by the Issuer itself. In these or other cases mentioned in the Terms and Conditions, Warrants may also be terminated by the Issuer.

An index may reflect the performance of assets of some countries or some industries only. In that case, investors are exposed to a concentration risk. In the event of an unfavourable economic development in a country or in relation to a particular industry, investors may be adversely affected. If several countries or industries are represented in an index, it is possible that the countries and/or the industries contained in the relevant index are weighted unevenly. This means that, in the event of an unfavourable development in one country or industry with a high index weighting, the value of the index may be affected disproportionately by this adverse development.

Investors should note that the selection of an index is not based on the expectations or estimates of the Issuer in respect of the future performance of the selected index. Investors should therefore make their own estimates in respect of the future performance of an index on the basis of their own knowledge and sources of information.

Price index – dividends are not taken into account

The index referred to in the relevant Terms and Conditions of the Warrants may be a price index. Unlike in the case of performance indices, dividend distributions in relation to the shares contained in price indices will result in a reduction of the index level. This means that investors will not participate in dividends or other distributions in relation to shares contained in price indices.

No influence of the Issuer

As a general rule, the Issuer has no influence on the composition and performance of an index underlying a Warrant or the performance of the relevant index components, unless the Issuer and the index sponsor are identical.

No liability of the index sponsor

If the Warrants relate to an index that is not calculated by the Issuer, the issue, marketing and distribution of the Warrants will normally not be supported by the relevant index sponsor. In that regard, the relevant index is composed and calculated by the respective index sponsor without taking into account the interests of the Issuer or the holders of the Warrants. In that case, the index sponsors do not assume any obligation or liability in respect of the issue, sale and/or trading of the Warrants.

No recognised financial indices, no independent third party

The Warrants may relate to one or more indices which are not recognised financial indexes but indices that have been specially created for the issuance of the relevant Warrant. The index sponsors of such indices might not be independent from the Issuer and may thus favour the interests of the Issuer over the interests of the holders of the Warrants.

Currency risks

The prices of the index components may be expressed in a currency (e.g. USD) that is different from the currency in which the Warrants were issued (e.g. EUR). In that case, the Cash Amount of the Warrants, during their term, may not only depend on the performance of the Underlying, but also on the development of the exchange rates of one or more foreign currencies against the currency of issue.

Index fees

Certain fees, costs, commissions or other composition and calculation charges may be deducted when calculating the value of an index. As a result, the performance of the individual index components is not acknowledged in full when calculating the performance of the respective index, but instead the performance is reduced by the amount of such fees, costs, commissions and other charges, which may to some extent erode any positive performance displayed by the individual components. It should also be noted that such costs may well also be incurred if the index returns negative performance, which will reinforce the negative performance even further.

Index composition publication

The composition of the indices may have to be published on a website or in other media mentioned in the terms and conditions. The publication of the updated composition of the respective index on the website of the relevant index sponsor might, however, be delayed considerably, sometimes even by several months. In those cases, the published composition may not always correspond to the actual composition of the relevant index.

- **Particular risks in relation to Warrants with commodities (e.g. precious metals) as Underlying**

Commodities are normally divided into three categories: minerals (e.g. oil, gas or aluminium), agricultural products (e.g. wheat or maize) and precious metals (e.g. gold or silver). Most commodities are traded on specialised exchanges or in interbank trading in the form of over-the-counter (OTC) transactions.

Holders of Warrants linked to the price of commodities are exposed to significant price risks as prices of commodities are subject to great fluctuations. The prices of commodities are influenced by a number of factors, including, inter alia, the following factors:

Cartels and regulatory changes

A number of producers or producing countries of commodities have formed organisations or cartels to regulate supply and therefore influence prices. However, the trading in commodities is also subject to regulations imposed by supervisory authorities or market rules whose application may also affect the development of the prices of the relevant commodities.

Cyclical supply and demand behaviour

Agricultural commodities are produced at a particular time of year but are in demand throughout the year. In contrast, energy is produced without interruption, even through it is mainly required during cold or very hot times of the year. This cyclical supply and demand pattern may lead to strong price fluctuations.

Direct investment costs

Direct investments in commodities are associated with costs for storage, insurance and taxes. In addition, no interest or dividends are paid on commodities. The overall yield of an investment is influenced by these factors.

Inflation and deflation

The general development of prices may have a strong effect on the price development of commodities.

Liquidity

Many markets of commodities are not very liquid and may therefore not be able to react rapidly and sufficiently to changes in supply and demand. In case of low liquidity, speculative investments by individual market participants may lead to price distortions.

Political risks

Commodities are frequently produced in emerging markets and subject to demand from industrialised countries. The political and economic situation of emerging markets, however, is often a lot less stable than that of industrialised countries. Emerging markets are exposed to a greater risk of rapid political changes and adverse economic developments. Political crises can damage investors' confidence, which can in turn influence commodity prices. Wars or conflicts may change the supply and demand in relation to certain commodities. It is also possible that industrialised countries impose embargoes regarding the export and import of goods and services. This may have a direct or indirect effect on the price of the commodities that serve as the Warrants' Underlying.

Weather and natural disasters

Unfavourable weather conditions and natural disasters may have a long-term negative effect on the supply of specific commodities for an entire year. A crisis of supply of this sort may lead to strong and incalculable price fluctuations.

- **Particular risks in relation to Warrants with futures contracts as Underlying**

Futures contracts are standardised forward transactions relating to financial instruments such as shares, indices, interest rates or foreign currencies (so-called financial futures) or commodities such as precious metals, wheat or sugar (so-called commodities futures).

A futures contract represents the contractual obligation to purchase or sell a certain quantity of the relevant contractual object at a certain date and price. Futures contracts are traded on futures and options exchanges and are standardised for that purpose with regard to size of contract, type and quality of the contractual object and potential delivery places and dates.

As a rule, there is a close correlation between the price performance of an asset that underlies a futures contract and is traded on a spot market and the corresponding futures market. However, futures contracts are generally traded at a premium or discount in relation to the spot price of the underlying asset. This difference between the spot and futures price, which is referred to as "basis" in futures and options exchange jargon, on the one hand results from the inclusion of the costs that are normally incurred in spot transactions (storage, delivery, insurance, etc.) and/or the revenues that are normally associated with spot transactions (interest, dividends, etc.), and on the other hand from the differing valuation of general market factors in the spot and the futures market. In addition, depending on the value, there can be a significant gap in terms of the liquidity in the spot and the corresponding futures market.

As the Warrants relate to the futures contracts specified in the Terms and Conditions, investors, in addition to knowing the market for the relevant asset that underlies the relevant futures contract, must have know-how as to the workings and valuation factors of forward/futures transactions in order to be able to correctly assess the risks associated with an investment in those Warrants.

As futures contracts expire on a certain date, the Terms and Conditions may provide that the Issuer (particularly in the case of Warrants with a longer term), at a time stipulated in the Terms and Conditions, replaces the futures contract provided for as the Underlying in the Terms and Conditions by another futures contract that has a later expiry date than the initial underlying futures contract, but is otherwise subject to the same contractual specifications (so-called "**Roll-Over**"). The costs associated with such a Roll-Over will be taken into account in accordance with the Terms and Conditions in connection with the adjustment of the Strikes of the Warrants in conjunction with the Roll-Over and may have a significant effect on the value of the Warrants. The Terms and Conditions may provide for additional cases in which the Issuer may replace the initial futures contract and/or change parameters of the Terms and Conditions and/or terminate the Warrants.

- **Particular risks in relation to Warrants with exchange rates/currencies as Underlying**

Exchange rates indicate the value ratio of a certain currency against another currency, i.e. the number of units in one currency that may be exchanged for one unit in the other.

Exchange rates are derived from the supply and demand in relation to currencies in the international foreign exchange markets. On the one hand, they are influenced by various economic factors, such as the rate of inflation in the relevant country, interest differences abroad, the assessment of the relevant economic development, the global political situation, the convertibility of one currency into another and the security of a financial investment in the relevant currency. On the other hand, they are influenced by measures undertaken by governments and central banks (e.g. foreign exchange controls and restrictions). In addition to these foreseeable factors, however, other factors might also be relevant that are difficult to estimate, such as factors of a psychological natures (such as crises of confidence in the political leadership of a country or other speculation). In some cases, such psychological factors may have a significant effect on the value of the relevant currency.

- **Particular risks of Warrants with bonds as Underlying**

Holders of Warrants linked to bonds, in addition to the insolvency risk of Commerzbank AG as the Issuer of the Warrants, are also exposed to the insolvency risk of the issuers of such underlying bond(s). If the issuer of a bond that underlies a Warrant does not punctually perform its obligations under the relevant bond or becomes insolvent, this will cause the value of the bond to fall (possibly to zero) and can in turn lead to significant price losses in the secondary market for the Warrants and, possibly, a total loss of the invested capital of the holder of the Warrants.

Additional risks (e.g. in relation to the Underlying(s), payment profiles and structures) may be set out in the relevant Final Terms.

IV. Special risks relating to the Warrants issued under this Base Prospectus

Warrants (plain vanilla)

- ***General***

Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the Ratio by which the Reference Price of the Underlying (e.g. a share, index, commodity (e.g. precious metals), exchange rate, bond or futures contract) on the Valuation Date exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions. **[***capped*:**][**The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.**]** Whether the holder of the Warrants is entitled to a relevant payment will to a significant extent depend upon the performance of the Underlying during the term of the Warrants.

The value of the Warrant in the secondary market will normally undergo a corresponding development: a call warrant will normally (i.e. by leaving out of account any other factors relevant for the formation of Warrant prices) lose value if the price of its Underlying falls. Conversely, the value of a put warrant will fall if the price of its Underlying rises.

"American warrants" are Warrants that can be exercised during the Exercise Period. If they are not exercised during the Exercise Period – as provided for in the relevant Terms and Conditions – the Warrants will be deemed automatically exercised on the last day of the Exercise Period, provided that the Cash Amount is a positive amount (Automatic Exercise).

"European warrants" are Warrants that will be deemed automatically exercised on the Exercise Date, provided that the Cash Amount is positive (Automatic Exercise). It is not possible to exercise these Warrants prior to the Exercise Date.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Warrants are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Warrants. This will specifically be the case if the Underlying's Reference Price does not exceed (in the case of Call Warrants) or is not below (in the case of Put Warrants) the Strike and, in view of the remaining term of the Warrants, it can no longer be expected that the Underlying's Reference Price will move in the desired direction once more in time before the expiry of the Warrants. It must be noted that a change in the price of the Warrants' Underlying (e.g. a share), or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Warrants' value and may even render them worthless.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. .

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Power Warrants

- ***General***

Power Warrants will grant the investor the right to receive the payment of a Cash Amount that is calculated by squaring the difference, multiplied by the Ratio, by which the Reference Price of the Underlying exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions upon exercise, and converted into **[**EUR**][**SEK**][***currency***]** if necessary. The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Power Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them.

It must be taken into account with regard to Power Warrants that squaring the difference between the Strike and the Reference Price will not always result in an increase of the payable amount. For instance, no such amount will be due if, in the case of Power Warrants relating to an exchange rate, the difference multiplied by one hundred that is to be squared corresponds to less than USD 1.00 and is therefore expressed as a decimal fraction (e.g. USD 0.50). When squaring a decimal fraction, the result will be lower than the initial value (e.g. 0.50 x 0.50 = 0.25). This means that the exercise of Power Warrants will result in lower Cash Amounts than that of traditional warrants where the difference between the Strike and the Reference Price, multiplied by one hundred, is less than USD 1.00.

It must be noted that a change in the price of the Warrant's Underlying, or even the non-materialisation of an expected price change therein, may have a disproportionate effect on the Warrants' value and may even render them worthless. This will apply in particular if the difference between the Strike and the Reference Price is significant, but the price at which the maximum amount would have to be paid has not been reached. In that range, any price change will result in a significant change in the Cash Amount as a result of the squaring process and thus also in a drastic increase or reduction in the value of the Warrants. If, for instance, in the case of an exchange rate of USD 1.065 for each EUR 1.00, the squared one-hundred-fold difference corresponds to USD 2.25 (Strike USD 1.050) and the exchange rate goes up to USD 1.070, the amount to be converted into EUR will rise to USD 4.00, resulting in a difference of merely USD 1.75. If, however, the sample exchange rate is USD 1.080 and equally rises by USD 0.005, the amount to be converted into EUR will rise from USD 9.00 to USD 12.25, resulting in a difference of USD 3.25. As a result of this squaring effect, the price of Power Warrants is especially volatile in certain ranges. In addition, in light of the limited term of the Warrants, there is no certainty that the price of the Warrants will recover in time before the expiry of the Warrants.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*). by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items.

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Bonus Warrants

- ***General***

Bonus Warrants will grant the investor the right to receive either the payment of a Cash Amount caculated as described below or the Fixed Amount set out in the Terms and Conditions.

The Cash Amount shall be calculated by multiplying (i) the Reference Price of the Underlying on the Valuation Date with (ii) the Ratio.

[*Capped*:]**[**The Cash Amount, however, is limited (capped). This means that an increase of the price of the Underlying beyond the Cap will not result in an increase of the Cash Amount. In this case the investor will receive a fixed Maximum Amount set out in the Terms and Conditions. **]**

The investor shall receive the Fixed Amount, if (i) during the Reference Period a price of the Underlying has never been equal to or below the Barrier <u>and</u> (ii) the Reference Price of the Underlying on the Valuation Date is equal to or below the Bonus Barrier.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Bonus Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Bonus Warrant differs from that of a traditional call or put warrant. The holder of the Warrants could suffer significant losses with respect to the purchase price paid. **This is particularly the case if the price of the Underlying during the Reference Period once is equal to or below the Barrier**. In exceptionally adverse conditions this may lead to a **total loss** of invested capital.

[*Capped*:]**[**Under no circumstances the investor will receive a payment which exceeds the Maximum Amount.**]**

Bonus Warrants entail the risk that the Reference Price of the relevant Underlying may never or only on a few days during the Reference Period be above the applicable Barrier or below the applicable Bonus Barrier. **In that case, the holder of the Warrant will receive no or only a small payment.**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*). by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items.

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Bottom-up-/Top-down Warrants

- ***General***

Bottom-up/Top-down Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is equal to or above the

Lower Barrier (in the case of Bottom-up Warrants) or equal to or below the Upper Barrier (in the case of Top-down Warrants) set out in the Terms and Conditions.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Bottom-up / Top-down Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Bottom-up / Top-down Warrant differs from that of a traditional call or put warrant. Bottom-up / Top-down Warrants entail the risk that the Reference Price of the relevant Underlying may never or only on a few days during the Reference Period be above the applicable Lower Barrier or below the applicable Upper Barrier. **In that case, the holder of the Warrant will receive no or only a small payment.**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*). by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items.

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Corridor Warrants

- ***General***

Corridor Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is within a Corridor set out in the Terms and Conditions.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Corridor Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Corridor Warrant differs from that of a traditional call or put warrant. Corridor Warrants entail the risk that the Reference Price of the relevant Underlying may permanently or often be outside the applicable Corridor. **In that case, the holder of the Warrant will receive no or only a small payment**.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. .

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Hit Warrants

- ***General***

Hit Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid as soon as the price of the Underlying, on a day within the Reference Period, is equal to or above (in the case of Call Warrants) or equal to or below (in the case of Put Warrants) the Hit-Barrier set out in the Terms and Conditions. If, however, the price of the Underlying fails to reach the Hit-Barrier or be above it (in the case of Call Warrants) or be below it (in the case of Put Warrants) during the Reference Period, the fixed amount will not be paid.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Hit Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of a Hit Warrant differs from that of a traditional call or put warrant. Hit Warrants entail the risk that the price of the relevant Underlying may never reach the Hit Barrier during the Reference Period. **In that case, the holder of the Warrant will receive no payment.**

In addition, any economic considerations regarding an investment in the Hit Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Hit Warrants.

[*with reference to a Currency Exchange Rate*:**]**

[● *Expiry of the Reference Period*

Investors should note, that the Reference Period expires on the Expiration Date already at such point in time, at which the European Central Bank publishes the official Euro foreign exchange reference rate in **[**USD**][●]** on Reuters screen page ECB37 as "ECB Reference Rate". If any rate of the Underlying reaches the Hit-Barrier, only <u>after</u> such point in time and not before, <u>no</u> Cash Amount will be paid.**]**

● ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. .

• ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Inline Warrants

● ***General***

Inline Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid if the price of the Underlying, during a Reference Period, is within a certain price range (Range) set out in the Terms and Conditions. If, however, the price of the Underlying reaches or exceeds the Upper Barrier or reaches or falls below the Lower Barrier ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant**][**the Inline Warrants will expiry worthless**][***insert other provision***].**

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Inline Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of an Inline Warrant differs from that of a traditional call or put warrant. It is a particular characteristic of Inline Warrants that the Warrant will be expired **[**worthless**]** once the price of the Underlying has reached or exceeded the Upper Barrier or reached or fallen below the Lower Barrier. **[**Under these circumstances, unlike with other types of Warrant, it is impossible that the price of the Inline Warrants will recover.**][In that case, the holder of the Warrant will receive no payment.]**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. .

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Down & Out Warrants

- ***General***

Down & Out Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the

Ratio by which the Reference Price of the Underlying on the Valuation Date is exceeded by the Strike set out in the Terms and Conditions. If the price of the Underlying reaches or falls below the Barrier set out in the Terms and Conditions during the Reference Period ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant**][**the Down & Out Warrants will expire worthless**][***insert other provision***]**.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Down & Out Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of a Down & Out Warrant differs from that of a traditional call or put warrant. It is a particular characteristic of Down & Out Warrants that the Warrant will expire **[**worthless**]** once the price of the Underlying has fallen below the relevant Barrier. **[**Under these circumstances, unlike with other types of Warrant, it is impossible that the price of the Down & Out Warrants will recover.**][In that case, the holder of the Warrant will receive no payment.]**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. .

- ***No regular income***

The Warrants neither represent a claim as to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Structured Warrants with Knock-out

● ***General***

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** **[**950**][•]** if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price (the "**Knock-out Event**"), then the Structured Warrants will expire worthless.

The Structured Warrants will be deemed automatically exercised on the Exercise Date, provided that a Knock-out Event has not occurred (Automatic Exercise). It is not possible to exercise the Structured Warrants prior to the Exercise Date.

The right to receive the Underlyings instead of the Cash Amount is excluded.

- **Loss risks**

Structured Warrants, like all warrants, are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Structured Warrants. It must be noted that a change in the price of the Structured Warrants' Underlyings, or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Structured Warrants' value and may even render them worthless.

Prospective purchasers should also note that the risk profile of the Structured Warrants differs from that of a traditional call or put warrant. **It is a particular characteristic of the Structured Warrants that they will expire worthless if on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price**.

In addition, any economic considerations regarding an investment in the Structured Warrants must also take into account the costs associated with their purchase or sale.

Furthermore, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Structured Warrants.

● **Adjustments and termination by the Issuer**

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to early terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Early Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)).

- **No regular income**

The Warrants do not represent a claim as to interest or dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Structured Warrants with Knock-in

- ***General***

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** 0 if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price (the "**Knock-in Event**"), then the Structured Warrants will be early redeemed on the relevant Knock-in Settlement Date at the Knock-in Amount which is the sum of (i) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** plus (ii) a percentage of **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** which will increase during the term of the Structured Warrants with every Observation Date on which a Knock-in Event does not occur.

The Structured Warrants will be deemed automatically exercised on the Exercise Date, provided that a Knock-in Event has not occurred (Automatic Exercise). It is not possible to exercise the Structured Warrants prior to the Exercise Date.

The right to receive the Underlyings instead of the Cash Amount is excluded.

- **Loss risks**

Structured Warrants, like all warrants, are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Structured Warrants. It must be noted that a change in the price of the Structured Warrants' Underlyings, or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Structured Warrants' value and may even render them worthless.

Prospective purchasers should also note that the risk profile of the Structured Warrants differs from that of a traditional call or put warrant. **It is a particular characteristic of the Structured Warrants that they will expire worthless if on the Exercise Date the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. Further to this, investors are advised that the Cash Amount, if any, will be less than the Knock-in Amount payable upon a Knock-in Event.**

In addition, any economic considerations regarding an investment in the Structured Warrants must also take into account the costs associated with their purchase or sale.

Furthermore, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Structured Warrants.

- **Adjustments and termination by the Issuer**

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to early terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Early Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)).

- **No regular income**

The Warrants do not represent a claim as to interest or dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors***]***:* **[●]**

SUMMARY OF INFORMATION RELATING TO COMMERZBANK AKTIENGESELLSCHAFT AND SUMMARY OF RISK FACTORS RELATING TO COMMERZBANK AKTIENGESELLSCHFT

Summary of Information relating to Commerzbank Aktiengesellschaft

Commerzbank Aktiengesellschaft is a stock corporation under German law. The Bank's registered office is located in Frankfurt am Main and its head office is at Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0)69 136-20). The Bank is registered in the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000. The financial year of the Bank is the calendar year.

Commerzbank is a universal bank. The focus of its activities is on the provision of a wide range of services to private and of products to private, medium-sized and institutional customers in Germany. This is for example the account management and payment transactions, loan, savings and money investment forms, securities services, capital markets and investment banking products and services and export finance. Through its subsidiaries and affiliates, the Group is also active in specialized areas such as ship financing and leasing. Furthermore, as part of its bankassurance strategy, the Group offers financial services in cooperation with partners, notable home loan, asset management and insurance business. Besides Germany, the Bank is active, *inter alia*, through its subsidiaries, branches and investments in Poland, Ukraine, Russia and Central and Eastern Europe.

The Commerzbank Group divides its business into the following segments:

- *Private Customers.* This segment comprises four business areas: The business area Private and Business Customers contains the classic branch banking business, with a broad range of standardized banking and financial services tailored to the needs of this customer group. The business area Wealth Management comprises services for high net worth private clients as well as the support of wealthy customers in Germany and abroad. The business area Direct Banking includes the activities of comdirect bank, a direct bank that provides its services online, the European Bank for Fund Services, one of the big service platforms in Germany, as well as the Commerz Direkt Service GmbH, which provides call-center services to the Private Customers segment. Credit is the central business area responsible for lending operations with the above-mentioned customer groups.

- *Mittelstandsbank*. This segment comprises the business areas Corporate Banking and Financial Institutions. The business area Corporate Banking contains the Group’s activities with Mittelstand customers (so long as they are not assigned to the segments Central and Eastern Europe or Corporates & Markets), the public sector and institutional customers. It also includes the Center of Competence Renewable Energies, which deals with the financing of facilities for the production of renewable energies. Domestic and foreign branches (in Western Europe and Asia) offer to these customers comprehensive services and products in the areas of payment transactions, financing, solutions, interest rate and currency management, investment advisory and investment banking. The Financial Institutions Division is responsible for relationships with domestic and foreign banks and financial institutions as well as central banks. One focus is on advising on and the settlement of foreign trade activities of the customer.

- *Central and Eastern Europe*. This segment includes the activities of the Group’s operating units and investments in Central and Eastern Europe (especially BRE Bank SA and Public Joint Stock Commercial Bank “Forum”). Business activities are focused on serving private and corporate customer banking as well as investment banking. Customers are private individuals and local companies in Central and Eastern Europe as well as companies operating in this geographical area.

- *Corporates & Markets*. This segment comprises the Group’s investment banking activities and the management of capital-market-oriented customers. It consists of the Group Divisions Equity Markets & Commodities (trade in equities, equity derivatives and commodity products), Fixed Income & Currencies (trading and distribution of interest rate and currency instruments and the corresponding derivatives), Corporate Finance (financing and advisory services for debt and equity instruments and the central credit portfolio management of the segment and advice on mergers and acquisitions) and Client Relationship Management as well as Research.

- *Assed Based Finance*. The product portfolio of this segment ranges from traditional fixed-rate loans and structured finance to capital market products as well as open and closed-end real estate funds and real estate and equipment leasing. The segment's focus is on commercial real estate loans secured by the underlying properties. The segment is divided on the one hand into the operating divisions mainly operated by the Commerzbank subsidiary Eurohypo Aktiengesellschaft ("Eurohypo") which are Commercial Real Estate Germany, Commercial Real Estate International and Public Finance (Public Finance) and the Retail Banking (Private Banking) of Eurohypo. On the other hand this segment comprises the Asset Management and Leasing area, which reflects mainly the activities of the Commerzbank subsidiary Commerz Real AG. In addition, the segment comprises the ship financing business.

- *Portfolio Restructuring Unit.* The Portfolio Restructuring Unit segment is responsible for managing down assets related to discontinued proprietary trading and investment activities which no longer fit into Commerzbank's client-centric strategy.

- *Others and Consolidation*. This segment contains the income and expenses which are not attributable to the operational business segments. The segment comprises Group Controlling, Group Treasury, which is responsible for the liquidity management, interest rate management and capital management as well as Group Services, which provides for services used by all of the Group's segments. The reporting for this segment includes equity participations which are not assigned to the operation segments as well as other international asset management activities.

On January 12, 2009 Commerzbank has acquired all outstanding shares of Dresdner Bank by way of contribution in kind. The subsequent merger of Dresdner Bank to Commerzbank was registered in the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main on May 11, 2009.

In response to the financial market crisis Commerzbank and the Sonderfonds für Finanzmarktstabilisierung ("SoFFin") signed an agreement on December 19, 2008 (amended on June 3, 2009 and restated on June 22, 2010) on the establishment of a silent partnership and on June 3, 2009 a further agreement (restated on June 22, 2010) on the establishment of a further silent partnership. On the basis of such agreements SoFFin contributed a silent participation of EUR 8.2 bn and on June 4, 2009 a further silent participation of EUR 8.2 bn to Commerzbank. Furthermore, SoFFin received 295,338,233 no-par-value shares in Commerzbank at an issue price of EUR 6.00 from the capital increase against cash contribution resolved upon by the Annual General Meeting held on May 16, 2009. As a result of this capital increase, the SoFFin holds a stake of 25.0% plus one share in Commerzbank at the date of this Prospectus. In addition, SoFFin as guarantor and Commerzbank as guarantee signed an agreement on December 30, 2008 regarding the provision of guarantees up to EUR 15 bn for certain bearer bonds. A guarantee volume thereof of EUR 10 bn was returned unused.

On May 7, 2009, the European Commission declared that the stabilization measures granted to Commerzbank were in principle compatible with state aid provisions of the EC Treaty. However, for competition law reasons the Commission imposed a number of conditions on Commerzbank, to which Commerzbank has agreed to comply with in contract with SoFFin.

The Board of Managing Directors currently consists of ten members: Martin Blessing (chairman), Frank Annuscheit, Markus Beumer, Dr. Achim Kassow, Jochen Klösges, Michael Reuther, Dr. Stefan Schmittmann, Ulrich Sieber, Dr. Eric Strutz und Martin Zielke.

The Supervisory Board consists of twenty members. The members of the Supervisroy Board currently are: Klaus-Peter Müller (chairman), Uwe Tschäge (deputy chairman), Hans-Hermann Altenschmidt, Dott. Sergio Balbinot, Dr.-Ing. Burckhard Bergmann, Dr. Nikolaus von Bomhard, Karin van Brummelen, Astrid Evers, Uwe Foullong, Daniel Hampel, Dr.-Ing. Otto Happel, Sonja Kasischke, Prof. Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel, Alexandra Krieger, Dr. h.c. Edgar Meister, Prof. h.c. (CHN) Dr. rer. oec. Ulrich Middelmann, Dr. Helmut Perlet, Barbara Priester, Mark Roach and Dr. Marcus Schenck.

The auditors of Commerzbank Aktiengesellschaft are PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft.

Summary of Risk Factors relating to Commerzbank Aktiengesellschaft

The issuer is subject to the following market- and sector-specific as well as company-specific risks, which - if they materialised - could have a considerable impact on the Issuer's net assets, financial position and earnings performance, and consequently on the Issuer's ability to meet its commitments arising from the Notes:

- There is a risk that the Group may not be able to implement its strategic plans, that it may not be able to implement them in full or that it will only be able to implement them at costs that are higher than planned.

- The markets in which the Group operates, especially the German market and within that market the Retail and Investment Banking segments, are characterized by intense competition in terms of prices and conditions, which puts substantial pressure on margins.

- The Group continuoulsy needs liquidity to refinance its business activities and is exposed to the risk of being unable to obtain funding on acceptable terms and to meet its current and future payment obligations or of being unable to fulfill such obligations on time and to meet regulatory capital requirements.

- The requirements and conditions of the government stabilization measures which were granted to Commerzbank could negatively affect the Group's profitability and Commerzbank could not be able to repay the silent participations of the Sonderfonds Finanzmarktstabilisierung ("SoFFin").

- A downgrade in the rating of Commerzbank, its subsidiaries or the entire Group may make refinancing more difficult and/or more expensive and entitle contracting partners to terminate derivative transactions or to require additional collateral.

- There is a risk that the Group will be called upon to indemnify the German deposit protection fund against losses the fund incurs in providing assistance to a Commerzbank subsidiary.

- The synergetic effects arising from the integration of the former Dresdner Bank Aktiengesellschaft ("Dresdner Bank") into the Group may turn out to be smaller than expected or be realized later than anticipated. In addition, the continuous integration is subject to significant costs and investments which could exceed the planned budgets.

- It is possible that the goodwill and brand names reported in the consolidated balance sheet will have to be written down, in full or in part, as a result of impairment tests.

- The sales partnership between Allianz SE (“Allianz”) and the Group in respect of asset management and insurance products may not generate the benefits envisaged.

- There is a risk that the customers of Dresdner Bank migrated in the course of the acquisition may not remain customers of the Group in the long term.

- The Group is subject to counterparty risks (credit risks), also in respect of large individual exposures as well as in engagements that are concentrated in specific sectors, so-called bulk risk.

- The real estate financing business and the business activity of the Group in ship financing are subject to special risks with regard to the volatility of the real estate and ship prices, counterparty risks (credit risks) influenced therefrom as well as considerable changes in value of the real estate and ship collateral provided.

- It is possible that the Group will have to make further write-downs in future especially on structured financial instruments with and without US-subprime exposure on account of volatile and illiquid market conditions and suffers further losses in connection with the reduction of such portfolios.

- The markets for certain structured financial instruments in the Group’s securities portfolio are exhibiting low levels of liquidity.

- Contracts with bond and credit insurers, especially monoline insurers, are subject to significant default risk due to the threat of insolvency faced by these insurance companies.

- The Group is subject to market price risks with regard to the valuation of shares and fund units.
- The Group is subject to market price risks in form of interest rate risks.

- The Group is subject to market price risks in form of credit spread risks.

- Currency risks could negatively affect the Group’s business, results of operations and financial condition.

- The Group is subject to market price risks in form of commodity price risks.

- The Group is subject to market price risks in form of volatility and correlation risks.

- The Group’s strategies for hedging against market risks may prove to be ineffective.

- The Group is subject to special risks in relation to its equity investments in listed and unlisted companies regarding the impairment of such investments and their management.

- The Group is exposed to risks on account of direct and indirect pension obligations.

- The Group is exposed to a wide range of operational risks including the risk of breaches of compliance-related provisions in connection with the exercise of its business activity, such as provisions for limitation of money laundering. It cannot be ruled out that circumstances or trends may arise that were not anticipated, or were anticipated only to an inadequate extent, when the operational risk models were designed.

- The Group is highly dependent on complex information technology (“IT”) systems whose functionality may be impacted by internal and external circumstances

- The growing significance of electronic trading platforms and new technologies may negatively affect the Group’s business activities.

- It is not certain whether the Group will continue to succeed in attracting and retaining qualified staff in future.

- The bank regulatory framework in the various jurisdictions in which the Group operates may change at any time, and non-compliance with regulatory provisions can result in the imposition of penalties and other disadvantages, up to the loss of administrative licenses.

- Commerzbank and its subsidiaries are subject to damages, warranty and rescission actions.

- The measures the Group has taken for data protection purposes and to ensure data confidentiality could prove to be inadequate and could lead to reputational and other damages.

- The Group is subject to risks in respect of tax audits; changes to tax legislation or judicial rulings on tax matters could have a detrimental impact on the Group’s business activities, its business, results of operations and financial condition.

- It cannot be ruled out that the Group will be unable to adequately or timely satisfy the conditions imposed by the European Commission in respect of the government stabilization measures that have been granted, to the compliance of which it has committed itself vis-à-vis SoFFin, or that the Group will suffer commercial disadvantages in connection with satisfying the conditions.

- The legal relationships between the Group and its customers are based on standardized contracts and forms designed for a large number of business transactions; individual application problems or errors in this documentation may therefore affect a large number of customer relationships.

- The Group is subject to various reputational risks.

RISK FACTORS

The purchase of warrants issued under this Base Prospectus (the "**Warrants**") is associated with certain risks. In respect of Warrants that, in view of their specific structure, require a special description of the relevant risk factors, a supplementary description of the special risk factors associated with the relevant Warrants in addition to the list set out below will be included in the Final Terms where required. The information set forth hereinafter and in the Final Terms merely describes the major risks that are associated with an investment in the Warrants in the Issuer's opinion. In this regard, however, **the Issuer expressly points out that the description of the risks associated with an investment in the Warrants is not exhaustive**.

In addition, the order in which such risks are presented does not indicate the extent of their potential commercial effects in the event that they are realised, or the likelihood of their realisation. The realisation of one or more of said risks may adversely affect the assets, finances and profits of Commerzbank Aktiengesellschaft or the value of the Warrants themselves.

Moreover, additional risks that are not known at the date of preparation of this Base Prospectus and the relevant Final Terms or currently believed to be immaterial could likewise have an adverse effect on the value of the Warrants.

The occurrence of one or more of the risks disclosed in this Base Prospectus, any supplement and/or the relevant Final Terms or any additional risks may lead to a material and sustained loss and, depending on the structure of the Warrant, even result in the **total loss** of the investor's capital.

Investors should purchase the Warrants only if they are able to bear the risk of losing the capital invested, including any transaction costs incurred.

Potential investors in the Warrants must in each case determine the suitability of the relevant investment in light of their own personal and financial situation. In particular, potential investors should in each case:

- have sufficient knowledge and experience to make a meaningful evaluation of the Warrants, the merits and risks of investing in the Warrants and/or the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all the information contained in the relevant Final Terms;

- have sufficient financial resources and liquidity to bear all of the risks associated with an investment in the Warrants;

- understand thoroughly the Terms and Conditions pertaining to the Warrants and be familiar with the behaviour of any relevant Underlying and the financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the value of their investment and be able to bear the associated risks.

These risk warnings do not substitute advice by the investor's bank or by the investor's legal, business or tax advisers, which should in any event be obtained by the investor in order to be able to assess the consequences of an investment in the Warrants. Investment decisions should not be made solely on the basis of the risk warnings set out in this Base Prospectus, any supplement and/or the relevant Final Terms since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of the investor concerned.

RISK FACTORS RELATING TO THE WARRANTS

The Warrants issued under this Base Prospectus are subject to - potentially major - price fluctuations and may involve the risk of a **complete or partial loss** of the invested capital (including any costs incurred in connection with the purchase of the Warrants). Since, in the case of Warrants, the Cash Amount is linked to an Underlying (e.g. a share, index, commodity (e.g. a precious metal), futures contract, bond or exchange rate), Warrants are investments that might not be suitable for all investors.

The Warrants may have complex structures, which the investor might not fully understand. The investor might therefore underestimate the actual risk that is associated with a purchase of the Warrants. Therefore, potential investors should study carefully the risks associated with an investment in the Warrants (with regard to the Issuer, the type of Warrants and/or the Underlying, as applicable), as well as any other information contained in this Base Prospectus, any supplements thereto as well as the relevant Final Terms, and possibly consult their personal (including tax) advisors. Prior to purchasing Warrants, potential investors should ensure that they fully understand the mechanics of the relevant Warrants and that they are able to assess and bear the risk of a (**total**) loss of their investment. Prospective purchasers of Warrants should in each case consider carefully whether the Warrants are suitable for them in the light of their individual circumstances and financial position.

It is possible that the performance of the Warrants is adversely affected by several risk factors at the same time. The Issuer, however, is unable to make any reliable prediction on such combined effects.

<u>I. General Risks</u>

- **Deviation of the issue price from the market value and impact of incidental costs**

The issue price in respect of any Warrants is based on internal pricing models of the Issuer and may be higher than their market value. The pricing models of other market participants may deviate from the Issuer's internal pricing models and might produce different results.

The price that might be obtainable in the secondary market for the Warrants might be lower than their issue price.

The issue price (irrespective of any agio that might be payable) may include commissions and/or other fees relating to the issue and sale of the Warrants (including a margin), which are payable to distributors or third parties or may be retained by the Issuer. In addition, the issue price may include costs that are incurred in connection with the hedging of the Issuer's liabilities in relation to the issue of the Warrants. Prices in the secondary market normally do not include the aforesaid commissions and/or other fees.

- **Trading in the Warrants, reduction in liquidity**

Not every series of Warrants that is issued under this Base Prospectus will be included in the unofficial market of, or admitted to trading on, a stock exchange. Even if such an inclusion or admission takes place, it will not necessarily result in a high turnover in respect of the Warrants. After the Warrants have been included or admitted, their continued permanent inclusion or admission cannot be guaranteed. If such inclusion or admission (provided it took place) cannot be permanently maintained, it will be significantly more difficult to purchase and sell the relevant Warrants.

In addition, there does not exist a market maker for each series of Warrants, i.e. someone who undertakes to provide purchasing and selling prices for the Warrants pertaining to an issue subject to regular market conditions. Even if there is a market maker, the market maker does not undertake to provide the aforesaid prices under all circumstances. If there is a market maker, it is normally the Issuer that assumes this function.

In particular in the event of extraordinary market conditions or extremely volatile markets, the market maker will normally not provide any purchasing and selling prices. A market maker will provide purchasing and selling prices for the Warrants under regular market conditions only. However, even in the event of regular market conditions, the market maker does not assume any legal responsibility towards the holders of the Warrants to provide such prices and/or for the fact that such prices are reasonable. The market maker might undertake towards certain stock exchanges, in accordance with the relevant stock exchange rules, to provide purchasing and selling prices with regard to specific order or securities volumes under regular market conditions. That obligation, however, will be entered into towards the relevant stock exchange. Third parties, including the holders of the Warrants, are unable to derive any issuer obligation in this regard. This means that the holders of the Warrants cannot rely on their ability to sell the Warrants at a certain time or price. In particular, the market maker is not obliged to buy back the Warrants during their term.

Even if market making activities took place at the beginning or during the term of the Warrants, this does not mean that there will be market making activities for the full duration of the term of the Warrants.

For the aforesaid reasons, it cannot be guaranteed that a secondary market will develop with regard to the respective Warrants, which will provide the holders of the Warrants with an opportunity to sell on their Warrants. The more restricted the secondary market, the more difficult it will be for the holders of the Warrants to sell their Warrants in the secondary market. This also applies with regard to the Warrants' inclusion in an unofficial market of, or admission to trading on, a stock exchange.

In addition, it must be taken into account that the liquidity of the Warrants will be reduced if the Issuer repurchases Warrants and declares them void. Lower market liquidity may render the Warrants more volatile.

- **Determination of the price of the Warrants in the secondary market**

If there is a market maker for a series of Warrants, such market maker will determine the purchasing and selling prices for such Warrants in the secondary market on the stock exchange (if such a secondary market exists) and off the stock exchange on the basis of internal pricing models and a number of other factors. These factors may include the following parameters: actuarial value of the Warrants, price of the Underlying, supply and demand with regard to the Warrants, costs for risk hedging and risk assumption, margins and commissions.

Some of these factors may not have a consistent effect on the price of the Warrants based on the relevant pricing models for the duration of the term, but may be taken into account at the market maker's discretion at an earlier time in a pricing context. This might include a margin included in the issue price, management fees and paid or expected yields on the Underlying or its components (such as dividends), which - based on the characteristics of the Warrants - might be retained by the Issuer. Expected dividends on the Underlying or its components may be deducted prior to the "ex dividend" day in relation to the Underlying or its components, based on the expected yields for the entire term or a certain portion thereof. Any dividend estimate used by the market maker in its assessment may change during the term of the Warrants or deviate from the dividend generally expected by the market or the actual dividend. This can also affect the pricing process in the secondary market.

Thus, the prices provided by the market maker may deviate from the actuarial value of the Warrants and/or the price to be expected from a commercial perspective, which would have formed in a liquid market at the relevant time in which several market makers acting independently of each other provide prices. In addition, the market maker may change the method based on which it determines the prices provided by it at any time, e.g. by changing its pricing models or using other calculation models and/or increasing or reducing the bid/offer spread.

If, during the opening hours of secondary trading in the Warrants by the market maker and/or the opening hours of the stock exchanges on which the Warrants are admitted or included, the Underlying is also traded on its home market, the price of the Underlying will be taken into account in the price calculation of the Warrants. If, however, the home market of the Underlying is closed while the Warrants relating to that Underlying are traded, the price of the Underlying must be estimated. As the Warrants issued under this Base Prospectus are also offered at times during which the home markets of the Underlyings are closed, this risk may affect each Warrant. In particular, however, this applies to Underlyings that are traded in time zones far away from Central Europe, such as American or Asian shares or share indices from those regions. The same risk occurs where Warrants are traded on days during which the home market of the Underlying is closed because of a public holiday. If the price of the Underlying is estimated because its home market is closed, such an estimate may turn out to be accurate, too high or too low within hours in the event that the home market starts trading in the Underlying. Accordingly, the prices provided by the market maker prior to the opening of the relevant home market in respect of the Warrants will then turn out to be too high or too low.

- **Restricted secondary trading because of non-availability of electronic trading systems**

The market maker normally provides purchasing and selling prices for on- and off-exchange trading via an electronic trading system. If the availability of the relevant electronic trading system is restricted or even suspended, this will negatively affect the Warrants' tradability.

- **Conflicts of interest**

Conflicts of interest can arise in connection with the exercise of rights and/or obligations of the Issuer, the Calculation Agent or any other party (e.g. an index sponsor or external advisor) in accordance with the Terms and Conditions in respect of the Warrants (e.g. in connection with the determination or adaptation of parameters of the terms and conditions), which affect the amounts payable or the assets to be delivered.

The Issuer, the Calculation Agent or another party, as well as any of their affiliates, may enter into transactions in the Warrants' Underlyings for their own or their customers' account, which might have a positive or negative effect on the performance of the relevant Underlying and may thus have a negative effect on the value of the Warrants.

If the Underlying is a share, there is a possibility that the Issuer, the Calculation Agent or another party, as well as any of their affiliates, may hold shares in the company that issued the Underlying.

The party that performs a specific function in respect of the Warrants (e.g. that of calculation agent and/or index sponsor) might have to determine the calculation of the Underlying or calculate that value. This can lead to conflicts of interest if securities issued by that party can be chosen as Underlying.

In addition, the Issuer might issue additional derivative instruments with regard to the Underlying. An introduction of these new competing products can adversely affect the value of the Warrants.

In addition, the Issuer and its affiliates might now or in future maintain a business relationship with the issuer of one or more Underlyings (including with regard to the issue of other securities relating to the relevant Underlying or lending, depositary, risk management, advisory and trading activities). Such business activities may be carried out as a service for customers or on an own account basis. The Issuer and/or any of its affiliates will pursue actions and take steps that it or they deem necessary or appropriate to protect its and/or their interests arising there from without regard to any negative consequences this may have for the Warrants. Such actions and conflicts may include, without limitation, the exercise of voting rights, the purchase and sale of securities, financial advisory relationships and the exercise of creditor rights. The Issuer and any of its affiliates and their officers and directors may engage in any such activities without regard to the potential adverse effect that such activities may directly or indirectly have on any Warrants.

The Issuer and any of its affiliates may, in connection with their other business activities, possess or acquire material (including non-public) information about the Underlying. The Issuer and any of its affiliates have no obligation to disclose such information about the Underlying.

The Issuer may act as market maker for the Warrants and, in certain cases, the Underlying. In the context of such market making activities, the Issuer will substantially determine the price of the Warrants and possibly that of the Underlying and, thus, the value of the Warrants. The prices provided by the Issuer in its capacity as market maker will not always correspond to the prices that would have formed in the absence of such market making and in a liquid market.

- **Hedging risks**

The Issuer and its affiliates may hedge themselves against the financial risks associated with the issue of the Warrants by performing hedging activities in relation to the relevant Underlying. Such activities in relation to the Warrants may influence the market price of the Underlying to which the Warrants relate. This will particularly be the case at the end of the term of these Warrants. It cannot be ruled out that the conclusion and release of hedging positions may have a negative influence on the value of the Warrants or payments to which the holder of the Warrants is entitled.

In addition, investors may not be able to enter into hedging transactions that exclude or limit their risks in connection with the purchase of the Warrants. The possibility to enter into such hedging transactions depends on market conditions and the respective Underlying terms and conditions.

- **Interest rate and inflationary risks, currency risks**

The market for the Warrants is influenced by the economic and market conditions, interest rates, exchange rates and inflation rates in Europe and other countries and regions. Events in Europe and in other parts of the world can lead to higher market volatility and thus have an adverse effect on the value of the Warrants. In addition, the economic situation and the market conditions can have negative consequences for the value of the Warrants.

Currency risks for the purchaser arise in particular in those cases where (i) the Underlying is denominated in a different currency than the Warrants, (ii) the Warrants are denominated in a different currency than the official currency of the purchaser's home country or (iii) the Warrants are denominated in a different currency than the currency in which the purchaser receives payments.

Exchange rates are subject to supply and demand factors on the international money markets, which are in turn influenced by macroeconomic factors, speculation and measures implemented by governments and central banks (e.g. foreign exchange controls and restrictions). The value of the Warrants or the amount of the potentially due payment might be reduced because of exchange rate fluctuations.

The only time at which Warrants with a so-called "quanto element" (an in-built currency hedge that determines a fixed exchange rate at the time of issue) are not subject to a currency risk in relation to the settlement currency and the currency of the Underlying is the time of final maturity. This, however, does not apply during the term of the Warrants. If Warrants with a quanto element are sold during their term on the secondary market, they are also subject to an unlimited currency risk. This is because, during the term of the Warrants, the economic value of the quanto hedge will fluctuate depending on various influencing factors. Prior to final maturity, the price of Warrants with a quanto element, despite unchanged price-influencing factors, can react to exchange rate fluctuations.

As payments are made at the fixed exchange rate, the investor will not benefit from a positive development of the exchange rate at the time of maturity in the event of a currency hedge via the quanto element. In addition, when purchasing Warrants with a quanto element, investors must assume that the purchase price of the Warrants includes costs in respect of the quanto hedge.

- **Offer volume**

The offer volume specified in the relevant Final Terms corresponds to the maximum total amount of Warrants offered but is no indication of which volume of Warrants will be actually issued. The actual volume depends on the market conditions and may change during the term of the Warrants. Therefore, investors should note that the specified offer volume does not allow any conclusions as to the liquidity of the Warrants in the secondary market.

- **Time delay following exercise**

In the case of Warrants that provide for an exercise option (American Warrants), a time delay may occur between the point in time at which the investor opts to exercise the Warrants and/or the day on which the Warrants are exercised automatically and the point in time at which the Cash Amount in respect of such exercise is determined. Any such delay between the time of exercise and the time at which the Cash Amount is determined will be described in greater detail in the relevant Terms and Conditions. In particular in the event of a Market Disruption, however, such a delay may apply for much longer. The price of the relevant Underlying may fall significantly during that period, so that the Cash Amount may even be zero.

- **Correct exercise and declaration obligation in respect of Warrants**

In the case of Warrants that provide for an exercise option (American Warrants), the effectiveness of the exercise of the Warrants will depend upon the submission of an exercise declaration and the delivery of the Warrants to the Warrant Agent. Potential purchasers of Warrants should review the respective Final Terms, in particular the relevant Terms and Conditions set out therein, as to the exercise conditions that might have to be met with regard to their Warrants.

- **Exercise restrictions in respect of Warrants**

In the case of Warrants with shares as Underlying, the Terms and Conditions may provide that it may not be possible to exercise the option right on the day on which the ordinary shareholder meeting of the company having issued the shares decides upon the distribution of a dividend to its shareholders and possibly also on the exchange business day immediately preceding that day.

- **Minimum exercise threshold in respect of Warrants**

If the Terms and Conditions provide that a minimum exercise threshold applies in respect of the Warrants, then those holders that do not hold the requisite minimum number of Warrants will either be forced to sell their existing Warrants or to purchase additional Warrants; transaction costs will be incurred in either case.

- **Use of loans**

If the investor finances the purchase of the Warrants through a loan, he – in the event that he loses some or all of the invested capital – has not only to bear the loss incurred but will also have to pay the interest and repay the loan. In that case, the exposure to loss increases considerably. Investors should never assume that they will be able to repay the loan including interest out of the payments on the Warrants or – in case of a sale of the Warrants before maturity – out of the proceeds from such sale. The purchaser of Warrants rather has to consider in advance on the basis of his financial situation whether he will still be able to pay the interest or repay the loan at short notice if the expected profits turn into losses.

- **Transaction costs**

Transaction costs that are charged by the custodian bank and/or the stock exchange via which an investor places his purchase and/or selling order may reduce any profits and/or increase any losses. In the case of a total loss in respect of a Warrant, the transaction costs will increase the loss incurred by the relevant investor.

- **Warrants are unsecured obligations (Status)**

The obligations under the Warrants constitute direct and unconditional obligations of the Issuer that are not subject to a real charge (*nicht dinglich besichert*) and, unless otherwise provided by applicable law, rank at least *pari passu* with all other unsubordinated obligations of the Issuer that are not subject to a real charge. They are neither secured by the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands deutscher Banken e.V.*) nor by the German Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*).

This means that the investor bears the risk that the Issuer's financial situation may worsen - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer therefore might be unable to make any payments due under the Warrants. **Under these circumstances, a total loss of the investor's capital might be possible.**

The Issuer may enter into hedging transactions in the relevant underlying, but is under no obligation to do so. If hedging transactions are entered into, they shall exclusively inure to the benefit of the Issuer, and the investors shall have no entitlement whatsoever to the underlying or with respect to the hedging transaction. Hedging transactions entered into by the Issuer shall not give rise to any legal relationship between the investors and those responsible for the underlying.

- **Impact of a downgrading of the credit rating**

The value of the Warrants is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings given to the Issuer's outstanding securities by rating agencies such as Moody's Investors Services Inc., Fitch Ratings Ltd, a subsidiary of Fimalac, S.A., and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. Any downgrading of the Issuer's rating (if any) by even one of these rating agencies could result in a reduction in the value of the Warrants.

- **Applicability of investment restrictions**

Certain investors may be subject to legal investment restrictions.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities (this particularly applies to Warrants). Each potential investor should consult his legal advisers to determine whether and to what extent (a) the purchase of Warrants represents a legal investment for him, (b) Warrants can be used as collateral for various types of financing and (c) other restrictions apply to his purchase or pledge of any Warrants. Investors who are subject to official supervision should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Warrants under any applicable risk-based capital or similar rules.

- **Taxes and other duties**

The Terms and Conditions may provide that all taxes or other duties payable at the level of the Issuer or the holders of the Warrants on payments made in relation to the Warrants are to be borne by the holders of the Warrants. In that case, the Issuer will not pay any additional amounts to the holders of the Warrants on account of any such taxes or duties.

- **Substitution of the Issuer**

If the conditions set out in the Terms and Conditions are met, the Issuer is entitled at any time, without the consent of the holders of the Warrants, to appoint another company as the new Issuer with regard to all obligations arising out of or in connection with the Warrants in its place. In that case, the holder of the Warrants will generally also assume the insolvency risk with regard to the new Issuer.

- **Change of law**

The Terms and Conditions in respect of the Warrants are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

II. Risks resulting from linking the Warrants to an Underlying and structure of the Warrants

Certain factors are of great significance with regard to the assessment of the risks associated with an investment in the Warrants issued under this Base Prospectus. These factors depend on the type of Warrants and the type of Underlying used in each individual case.

- **General**

An investment in the Warrants issued under this Base Prospectus entails significant additional risks, which include risks in relation to the Underlying(s) as well as risks solely associated with the Warrants themselves.

Such risks include, without limitation:

a) that the payments to be made under the Terms and Conditions of the Warrants depend on the performance of one or more Underlying(s), so that the Cash Amount may be lower than the original purchase price of the Warrant or no payment may take place at all.

   A link to the performance of one or more Underlying(s) also has an effect on the value of the Warrants. In that context, the value of the Warrants will normally fall if the price of the Underlying goes down (without taking into account special characteristics of the Warrants and without taking into account exchange rate changes in those cases where the Warrants are issued in EUR, the Underlying is expressed in a currency other than EUR and the Cash Amount is thus converted from a currency other than EUR).

b) that, pursuant to the Terms and Conditions of the Warrants, payments can occur at times other than those expected by the investor (e.g. in the case of early redemption in the event of an Extraordinary Event as described in the Terms and Conditions);

c) that the consequences listed in (i) (reduction and/or non-occurrence of repayment) will occur for the particular reason that insolvency proceedings have been instituted with regard to the assets of the issuer of the Underlying or proceedings comparable to insolvency proceedings under German law are instituted or the Issuer ceases its payments or announces that it is unable to pay its debts when due or if similar events occur in relation to the issuer of the Underlying;

d) that various fees are levied by the Issuer, an affiliate of the Issuer or a third party, which reduce the payments under the Warrants. For instance, management fees might be levied with regard to the composition and calculation of an index, basket, fund or other Underlying, or performance or other fees might be incurred in connection with the performance of an Underlying and/or components of such Underlying;

e) that the risks of investing in the Warrants encompass both risks relating to the Underlying and risks that are unique to the Warrants as such;

f) that investors may be unable to hedge their exposure to the various risks relating to the Warrants;

g) that the Underlying to which the Warrants relate ceases to exist during the term of the Warrants or might be replaced by another Underlying (this not only applies to actively managed Underlyings, but also to Underlyings that are effectively static), and that the investor, depending on the characteristics of the Warrant and the Underlying, might not always know the future underlying or its composition when purchasing the Warrant; and

h) that the value of Warrants on a possible secondary market is subject to greater fluctuations and thus greater risks than the value of other securities as it is dependent on one or several Underlyings. The performance of an Underlying is in turn subject to a series of factors beyond the Issuer's control. Such factors are influenced to a significant degree by the risks on the share, debt and foreign exchange markets, the interest rate development, the volatility of the relevant Underlyings as well as economic, political and regulatory risks, and/or a combination of the aforesaid risks.

   The secondary market, if any, for Warrants will be affected by a number of additional factors, irrespective of the creditworthiness of the Issuer and the value of the respective Underlying(s). These include, without limitation, the volatility of the relevant Underlying, as well as the remaining term and the outstanding volume of the respective Warrant.

- **Leverage effect**

One of the defining characteristics of Warrants is their so-called leverage effect: A change in the value of the relevant Underlying may result in a disproportionate change in the value of the Warrant. The leverage effect of Warrants can go **both** ways – i.e. not only to the investor's advantage in the case of a favourable, but also to the investor's disadvantage in the case of an unfavourable development of the price of the Underlying. **This means that Warrants are associated with a disproportionate risk of loss.**

Therefore, when buying Warrants, investors must take into account that, while the leverage effect associated with the Warrants changes over the term of the Warrants, the associated loss risk will increase accordingly. In addition, investors should note that the leverage effect will normally be correspondingly higher towards the end of the (residual) term of the Warrants, i.e. the closer the Warrants are to being "at the money" and/or near a barrier set out in the Final Terms.

- **Factors regarding the formation of prices in the secondary market**

The price of Warrants is calculated on the basis of various factors, such as the Underlying's current price and volatility and the current interest level, each in relation to the Warrants' residual term.

Therefore, a reduction in the Warrants' value will also occur whenever the Underlying's price remains constant during the term of the Warrants.

This means that investors should verify, without limitation, the following factors prior to purchasing Warrants: (i) the Underlying's value and volatility, (ii) the residual term, (iii) changes in interest rates and dividend yields, (iv) exchange rate fluctuations, (v) market depth or liquidity of the Underlying, (vi) possible transaction costs and, (vii) in the event of a sale, the price and tradability of the Warrants in the secondary market.

- **Extraordinary termination, early redemption and adjustment rights**

In accordance with the Terms and Conditions of the Warrants, the Issuer will in some cases be entitled to perform adjustments with regard to the aforesaid Terms and Conditions or to terminate or call for early redemption of the Warrants if certain conditions are met. These conditions are described in the relevant Terms and Conditions.

Any adjustment of the Terms and Conditions may have a negative effect on the value of the Warrants as well as the Cash Amount to be claimed by the investor.

The Cash Amount of the Warrants in the event of their termination may be lower than the amount the holders of the Warrants would have received without such termination. In addition, unwind costs in connection with an early redemption may be deducted when determining the termination amount to be paid in the event of a termination in accordance with the Terms and Conditions. Such unwind costs may comprise all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the early redemption of the Warrants and the related termination, settlement or re-establishment of any hedge or related trading position.

Furthermore, investors bear the risk that they may invest the amounts received upon termination only at a rate of return which is lower than that of the terminated Warrants.

- **Maximum Amount**

In the case of Warrants where the Terms and Conditions provide that the payment under the Warrants is capped to a Maximum Amount, the investor will not participate in the further performance of the Underlying that may be beneficial to the investor. While, on the one hand, the investor's yield is capped to the Maximum Amount, the investor may on the other hand have to bear the full loss risk in the case of an adverse performance of the Underlying.

- **Market disruption and postponement of payments**

In the case of Warrants, the Issuer may be entitled to determine market disruptions or other events that might result in a postponement of a calculation and/or of any payments and that might affect the value of the Warrants.

In addition, in certain cases stipulated in the Terms and Conditions, the Issuer (especially if a market disruption lasts several days) may estimate certain prices that are relevant with regard to payments or the reaching of barriers (leading to the Warrants being worthless). These estimates may deviate from their actual value.

- **No claim against the issuer of an Underlying**

Warrants do not give rise to any payment or other claims towards the issuers of the Underlyings to which those Warrants relate. If the payments by the Issuer are less than the purchase price paid by the holder of the Warrants, such holder will not have recourse to the issuer of the Underlying.

- **No interest payments or other distributions**

The Warrants issued under this Base Prospectus do not provide for periodic interest payments or other distributions during their term. Investors should be aware that the Warrants will not generate any current income. Possible losses in relation to the value of the Warrants can therefore not be compensated by any other income from the Warrants.

III. Risk factors relating to the Underlying

The value of a Warrant's Underlying depends upon a number of factors that may be interconnected. These may include economic, financial and political events beyond the Issuer's control.

The past performance of an Underlying should not be regarded as an indicator of its future performance during the term of the Warrants.

- **Particular risks of Warrants with shares as Underlying**

Warrants relating to shares are associated with particular risks beyond the Issuer's control, such as the risk that the respective company will be rendered insolvent, the risk that the share price will fluctuate or risks that occur in relation to dividend payments by the company. The performance of the shares depends to a very significant extent on developments on the capital markets, which in turn depend on the general global economic situation and more specific economic and political conditions. Shares in companies with low to medium market capitalisation may be subject to even higher risks (e.g. relating to their volatility or insolvency) than is the case for shares in larger companies. Moreover, shares in companies with low capitalisation may be extremely illiquid as a result of low trading volumes.

Shares in companies which have their statutory seat or significant business operations in countries with limited certainty of law are subject to additional risks such as, for instance, government interventions or nationalisation which may lead to a total or partial loss of the invested capital or of access to the capital invested in that country. This may result in a total or partial loss in relation to the value of the share. The realisation of such risks may also result in a total or partial loss of the invested capital for holders of Warrants that are linked to such shares.

Holders of Warrants that are linked to shares, unlike investors which directly invest in the shares, do not receive dividends or other distributions payable to the holders of the underlying shares.

If the Underlying consists of securities in lieu of shares (e.g. American Depositary Receipts ("**ADRs**") or Global Depositary Receipts ("**GDRs**"), together "**Depositary Receipts**"), additional risks might occur. ADRs are securities issued in the United States of America that take the form of participation certificates in relation to a portfolio of shares held in the home country of the issuer of the underlying shares outside the United States of America. GDRs are also securities that take the form of participation certificates in relation to a portfolio of shares held in the home country of the issuer of the underlying shares. They normally differ from the participation certificates referred to as ADRs in that they are publicly offered and/or issued outside the United States of America. Each Depositary Receipt represents one or more shares or a fraction of a security in a foreign corporation. In the case of both types of Depositary Receipt, the legal owner of the underlying share is the depositary bank, which also acts as the issuing agent of the Depositary Receipts.

Depending on the jurisdiction in which the Depositary Receipts were issued and the laws by which the depositary contract is governed, it cannot be ruled out that the holder of the Depositary Receipts may not be recognised as the actual beneficial owner of the underlying shares in the relevant jurisdiction.

Particularly in the case that the depositary bank becomes insolvent and/or debt enforcement proceedings are initiated with regard to it, the relevant underlying shares may be subjected to disposal restrictions and/or utilised commercially in the context of debt enforcement measure undertaken against the depositary bank. In that case, the relevant holder will forfeit the rights in the underlying shares represented by the relevant Depositary Receipt. This means that the Depositary Receipt as Underlying will be rendered worthless, so that the securities relating to that Depositary Receipt (except in the case of reverse structures) will also be rendered worthless. In such a scenario, the investor faces a risk of total loss subject to a possible unconditional minimum repayment amount or other (partial) capital protection.

It must also be taken into account that the depositary bank may stop offering Depositary Receipts at any time and that, in that case or if the depositary bank becomes insolvent, the issuer of these Warrants will, subject to more detailed provisions set out in the Terms and Conditions of the Warrants, be entitled to adjust the Terms and Conditions and/or terminate the Warrants.

- **Particular risks of Warrants with indices as Underlying**

Warrants that are linked to one or several indices involve, in particular, the following risks:

Dependency on the value of the index components

The value of an index is calculated on the basis of the value of its components. Changes in the prices of index components, the composition of an index as well as factors that (may) influence the value of the index components also influence the value of the Warrants that relate to the relevant index and can thus influence the yield from an investment in the relevant Warrants. Fluctuations in the value of one index component may be compensated or aggravated by fluctuations in the value of other index components. The past performance of an index does not represent any guarantee of its future performance. Under certain circumstances, an index used as an Underlying may (i) not be available for the full term of the Warrants, (ii) be substituted or (iii) continue to be calculated by the Issuer itself. In these or other cases mentioned in the Terms and Conditions, Warrants may also be terminated by the Issuer.

An index may reflect the performance of assets of some countries or some industries only. In that case, investors are exposed to a concentration risk. In the event of an unfavourable economic development in a country or in relation to a particular industry, investors may be adversely affected. If several countries or industries are represented in an index, it is possible that the countries and/or the industries contained in the relevant index are weighted unevenly. This means that, in the event of an unfavourable development in one country or industry with a high index weighting, the value of the index may be affected disproportionately by this adverse development.

Investors should note that the selection of an index is not based on the expectations or estimates of the Issuer in respect of the future performance of the selected index. Investors should therefore make their own estimates in respect of the future performance of an index on the basis of their own knowledge and sources of information.

Price index – dividends are not taken into account

The index referred to in the relevant Terms and Conditions of the Warrants may be a price index. Unlike in the case of performance indices, dividend distributions in relation to the shares contained in price indices will result in a reduction of the index level. This means that investors will not participate in dividends or other distributions in relation to shares contained in price indices.

No influence of the Issuer

As a general rule, the Issuer has no influence on the composition and performance of an index underlying a Warrant or the performance of the relevant index components, unless the Issuer and the index sponsor are identical.

No liability of the index sponsor

If the Warrants relate to an index that is not calculated by the Issuer, the issue, marketing and distribution of the Warrants will normally not be supported by the relevant index sponsor. In that regard, the relevant index is composed and calculated by the respective index sponsor without taking into account the interests of the Issuer or the holders of the Warrants. In that case, the index sponsors do not assume any obligation or liability in respect of the issue, sale and/or trading of the Warrants.

No recognised financial indices, no independent third party

The Warrants may relate to one or more indices which are not recognised financial indexes but indices that have been specially created for the issuance of the relevant Warrant. The index sponsors of such indices might not be independent from the Issuer and may thus favour the interests of the Issuer over the interests of the holders of the Warrants.

Currency risks

The prices of the index components may be expressed in a currency (e.g. USD) that is different from the currency in which the Warrants were issued (e.g. EUR). In that case, the Cash Amount of the Warrants, during their term, may not only depend on the performance of the Underlying, but also on the development of the exchange rates of one or more foreign currencies against the currency of issue.

Index fees

Certain fees, costs, commissions or other composition and calculation charges may be deducted when calculating the value of an index. As a result, the performance of the individual index components is not acknowledged in full when calculating the performance of the respective index, but instead the performance is reduced by the amount of such fees, costs, commissions and other charges, which may to some extent erode any positive performance displayed by the individual components. It should also be noted that such costs may well also be incurred if the index returns negative performance, which will reinforce the negative performance even further.

Index composition publication

The composition of the indices may have to be published on a website or in other media mentioned in the terms and conditions. The publication of the updated composition of the respective index on the website of the relevant index sponsor might, however, be delayed considerably, sometimes even by several months. In those cases, the published composition may not always correspond to the actual composition of the relevant index.

- **Particular risks in relation to Warrants with commodities (e.g. precious metals) as Underlying**

Commodities are normally divided into three categories: minerals (e.g. oil, gas or aluminium), agricultural products (e.g. wheat or maize) and precious metals (e.g. gold or silver). Most commodities are traded on specialised exchanges or in interbank trading in the form of over-the-counter (OTC) transactions.

Holders of Warrants linked to the price of commodities are exposed to significant price risks as prices of commodities are subject to great fluctuations. The prices of commodities are influenced by a number of factors, including, inter alia, the following factors:

Cartels and regulatory changes

A number of producers or producing countries of commodities have formed organisations or cartels to regulate supply and therefore influence prices. However, the trading in commodities is also subject to regulations imposed by supervisory authorities or market rules whose application may also affect the development of the prices of the relevant commodities.

Cyclical supply and demand behaviour

Agricultural commodities are produced at a particular time of year but are in demand throughout the year. In contrast, energy is produced without interruption, even through it is mainly required during cold or very hot times of the year. This cyclical supply and demand pattern may lead to strong price fluctuations.

Direct investment costs

Direct investments in commodities are associated with costs for storage, insurance and taxes. In addition, no interest or dividends are paid on commodities. The overall yield of an investment is influenced by these factors.

Inflation and deflation

The general development of prices may have a strong effect on the price development of commodities.

Liquidity

Many markets of commodities are not very liquid and may therefore not be able to react rapidly and sufficiently to changes in supply and demand. In case of low liquidity, speculative investments by individual market participants may lead to price distortions.

Political risks

Commodities are frequently produced in emerging markets and subject to demand from industrialised countries. The political and economic situation of emerging markets, however, is often a lot less stable than that of industrialised countries. Emerging markets are exposed to a greater risk of rapid political changes and adverse economic developments. Political crises can damage investors' confidence, which can in turn influence commodity prices. Wars or conflicts may change the supply and demand in relation to certain commodities. It is also possible that industrialised countries impose embargoes regarding the export and import of goods and services. This may have a direct or indirect effect on the price of the commodities that serve as the Warrants' Underlying.

Weather and natural disasters

Unfavourable weather conditions and natural disasters may have a long-term negative effect on the supply of specific commodities for an entire year. A crisis of supply of this sort may lead to strong and incalculable price fluctuations.

- **Particular risks in relation to Warrants with futures contracts as Underlying**

Futures contracts are standardised forward transactions relating to financial instruments such as shares, indices, interest rates or foreign currencies (so-called financial futures) or commodities such as precious metals, wheat or sugar (so-called commodities futures).

A futures contract represents the contractual obligation to purchase or sell a certain quantity of the relevant contractual object at a certain date and price. Futures contracts are traded on futures and options exchanges and are standardised for that purpose with regard to size of contract, type and quality of the contractual object and potential delivery places and dates.

As a rule, there is a close correlation between the price performance of an asset that underlies a futures contract and is traded on a spot market and the corresponding futures market. However, futures contracts are generally traded at a premium or discount in relation to the spot price of the underlying asset. This difference between the spot and futures price, which is referred to as "basis" in futures and options exchange jargon, on the one hand results from the inclusion of the costs that are normally incurred in spot transactions (storage, delivery, insurance, etc.) and/or the revenues that are normally associated with spot transactions (interest, dividends, etc.), and on the other hand from the differing valuation of general market factors in the spot and the futures market. In addition, depending on the value, there can be a significant gap in terms of the liquidity in the spot and the corresponding futures market.

As the Warrants relate to the futures contracts specified in the Terms and Conditions, investors, in addition to knowing the market for the relevant asset that underlies the relevant futures contract, must have know-how as to the workings and valuation factors of forward/futures transactions in order to be able to correctly assess the risks associated with an investment in those Warrants.

As futures contracts expire on a certain date, the Terms and Conditions may provide that the Issuer (particularly in the case of Warrants with a longer term), at a time stipulated in the Terms and Conditions, replaces the futures contract provided for as the Underlying in the Terms and Conditions by another futures contract that has a later expiry date than the initial underlying futures contract, but is otherwise subject to the same contractual specifications (so-called "**Roll-Over**"). The costs associated with such a Roll-Over will be taken into account in accordance with the Terms and Conditions in connection with the adjustment of the Strikes of the Warrants in conjunction with the Roll-Over and may have a significant effect on the value of the Warrants. The Terms and Conditions may provide for additional cases in which the Issuer may replace the initial futures contract and/or change parameters of the Terms and Conditions and/or terminate the Warrants.

- **Particular risks in relation to Warrants with exchange rates/currencies as Underlying**

Exchange rates indicate the value ratio of a certain currency against another currency, i.e. the number of units in one currency that may be exchanged for one unit in the other.

Exchange rates are derived from the supply and demand in relation to currencies in the international foreign exchange markets. On the one hand, they are influenced by various economic factors, such as the rate of inflation in the relevant country, interest differences abroad, the assessment of the relevant economic development, the global political situation, the convertibility of one currency into another and the security of a financial investment in the relevant currency. On the other hand, they are influenced by measures undertaken by governments and central banks (e.g. foreign exchange controls and restrictions). In addition to these foreseeable factors, however, other factors might also be relevant that are difficult to estimate, such as factors of a psychological natures (such as crises of confidence in the political leadership of a country or other speculation). In some cases, such psychological factors may have a significant effect on the value of the relevant currency.

- **Particular risks of Warrants with bonds as Underlying**

Holders of Warrants linked to bonds, in addition to the insolvency risk of Commerzbank AG as the Issuer of the Warrants, are also exposed to the insolvency risk of the issuers of such underlying bond(s). If the issuer of a bond that underlies a Warrant does not punctually perform its obligations under the relevant bond or becomes insolvent, this will cause the value of the bond to fall (possibly to zero) and can in turn lead to significant price losses in the secondary market for the Warrants and, possibly, a total loss of the invested capital of the holder of the Warrants.

IV. Special risks relating to the Warrants issued under this Base Prospectus

Warrants (plain vanilla)

- ***General***

Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the Ratio by which the Reference Price of the Underlying (e.g. a share, index, commodity (e.g. precious metals), exchange rate, bond or futures contract) on the Valuation Date exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions. **[***capped*:**][**The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.**]** Whether the holder of the Warrants is entitled to a relevant payment will to a significant extent depend upon the performance of the Underlying during the term of the Warrants.

The value of the Warrant in the secondary market will normally undergo a corresponding development: a call warrant will normally (i.e. by leaving out of account any other factors relevant for the formation of Warrant prices) lose value if the price of its Underlying falls. Conversely, the value of a put warrant will fall if the price of its Underlying rises.

"American warrants" are Warrants that can be exercised during the Exercise Period. If they are not exercised during the Exercise Period – as provided for in the relevant Terms and Conditions – the Warrants will be deemed automatically exercised on the last day of the Exercise Period, provided that the Cash Amount is a positive amount (Automatic Exercise).

"European warrants" are Warrants that will be deemed automatically exercised on the Exercise Date, provided that the Cash Amount is positive (Automatic Exercise). It is not possible to exercise these Warrants prior to the Exercise Date.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Warrants are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Warrants. This will specifically be the case if the Underlying's Reference Price does not exceed (in the case of Call Warrants) or is not below (in the case of Put Warrants) the Strike and, in view of the remaining term of the Warrants, it can no longer be expected that the Underlying's Reference Price will move in the desired direction once more in time before the expiry of the Warrants. It must be noted that a change in the price of the Warrants' Underlying (e.g. a share), or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Warrants' value and may even render them worthless.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)), by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)).

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Power Warrants

- ***General***

Power Warrants will grant the investor the right to receive the payment of a Cash Amount that is calculated by squaring the difference; multiplied by the Ratio; by which the Reference Price of the Underlying exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions upon exercise, and converted into **[**EUR**][**SEK**][***currency***]** if necessary. The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Power Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them.

It must be taken into account with regard to Power Warrants that squaring the difference between the Strike and the Reference Price will not always result in an increase of the payable amount. For instance, no such amount will be due if, in the case of Power Warrants relating to an exchange rate, the difference multiplied by one hundred that is to be squared corresponds to less than USD 1.00 and is therefore expressed as a decimal fraction (e.g. USD 0.50). When squaring a decimal fraction, the result will be lower than the initial value (e.g. 0.50 x 0.50 = 0.25). This means that the exercise of Power Warrants will result in lower Cash Amounts than that of traditional warrants where the difference between the Strike and the Reference Price, multiplied by one hundred, is less than USD 1.00.

It must be noted that a change in the price of the Warrant's Underlying, or even the non-materialisation of an expected price change therein, may have a disproportionate effect on the Warrants' value and may even render them worthless. This will apply in particular if the difference between the Strike and the Reference Price is significant, but the price at which the maximum amount would have to be paid has not been reached. In that range, any price change will result in a significant change in the Cash Amount as a result of the squaring process and thus also in a drastic increase or reduction in the value of the Warrants. If, for instance, in the case of an exchange rate of USD 1.065 for each EUR 1.00, the squared one-hundred-fold difference corresponds to USD 2.25 (Strike USD 1.050) and the exchange rate goes up to USD 1.070, the amount to be converted into EUR will rise to USD 4.00, resulting in a difference of merely USD 1.75. If, however, the sample exchange rate is USD 1.080 and equally rises by USD 0.005, the amount to be converted into EUR will rise from USD 9.00 to USD 12.25, resulting in a difference of USD 3.25. As a result of this squaring effect, the price of Power Warrants is especially volatile in certain ranges. In addition, in light of the limited term of the Warrants, there is no certainty that the price of the Warrants will recover in time before the expiry of the Warrants.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors*:**]**
[•]

Bonus Warrants

- ***General***

Bonus Warrants will grant the investor the right to receive either the payment of a Cash Amount caculated as described below or the Fixed Amount set out in the Terms and Conditions.

The Cash Amount shall be calculated by multiplying (i) the Reference Price of the Underlying on the Valuation Date with (ii) the Ratio.

[*Capped*:]**[**The Cash Amount, however, is limited (capped). This means that an increase of the price of the Underlying beyond the Cap will not result in an increase of the Cash Amount. In this case the investor will receive a fixed Maximum Amount set out in the Terms and Conditions. **]**

The investor shall receive the Fixed Amount, if (i) during the Reference Period a price of the Underlying has never been equal to or below the Barrier <u>and</u> (ii) the Reference Price of the Underlying on the Valuation Date is equal to or below the Bonus Barrier.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Bonus Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Bonus Warrant differs from that of a traditional call or put warrant. The holder of the Warrants could suffer significant losses with respect to the purchase price paid. **This is particularly the case if the price of the Underlying during the Reference Period once is equal to or below the Barrier**. In exceptionally adverse conditions this may lead to a **total loss** of invested capital.

[*Capped*:]**[**Under no circumstances the investor will receive a payment which exceeds the Maximum Amount.**]**

Bonus Warrants entail the risk that the Reference Price of the relevant Underlying may never or only on a few days during the Reference Period be above the applicable Barrier or below the applicable Bonus Barrier. **In that case, the holder of the Warrant will receive no or only a small payment.**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*). by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items.

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Bottom-up-/Top-down Warrants

- ***General***

Bottom-up/Top-down Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is equal to or above the Lower Barrier (in the case of Bottom-up Warrants) or equal to or below the Upper Barrier (in the case of Top-down Warrants) set out in the Terms and Conditions.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Bottom-up / Top-down Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Bottom-up / Top-down Warrant differs from that of a traditional call or put warrant. Bottom-up / Top-down Warrants entail the risk that the Reference Price of the relevant Underlying may never or only on a few days during the Reference Period be above the applicable Lower Barrier or below the applicable Upper Barrier. **In that case, the holder of the Warrant will receive no or only a small payment.**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Corridor Warrants

- ***General***

Corridor Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is within a Corridor set out in the Terms and Conditions.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Corridor Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. Prospective purchasers should also note that the risk profile of a Corridor Warrant differs from that of a traditional call or put warrant. Corridor Warrants entail the risk that the Reference Price of the relevant Underlying may permanently or often be outside the applicable Corridor. **In that case, the holder of the Warrant will receive no or only a small payment**.

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB)*) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Hit Warrants

- ***General***

Hit Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid as soon as the price of the Underlying, on a day within the Reference Period, is equal to or above (in the case of Call Warrants) or equal to or below (in the case of Put Warrants) the Hit-Barrier set out in the Terms and Conditions. If, however, the price of the Underlying fails to reach the Hit-Barrier or be above it (in the case of Call Warrants) or be below it (in the case of Put Warrants) during the Reference Period, the fixed amount will not be paid.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Hit Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of a Hit Warrant differs from that of a traditional call or put warrant. Hit Warrants entail the risk that the price of the relevant Underlying may never reach the Hit Barrier during the Reference Period. **In that case, the holder of the Warrant will receive no payment.**

In addition, any economic considerations regarding an investment in the Hit Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Hit Warrants.

[*with reference to a Currency Exchange Rate*:**]**

[● ***Expiry of the Reference Period***

Investors should note, that the Reference Period expires on the Expiration Date already at such point in time, at which the European Central Bank publishes the official Euro foreign exchange reference rate in **[**USD**][●]** on Reuters screen page ECB37 as "ECB Reference Rate". If any rate of the Underlying reaches the Hit-Barrier, only <u>after</u> such point in time and not before, <u>no</u> Cash Amount will be paid.**]**

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Inline Warrants

- ***General***

Inline Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid if the price of the Underlying, during a Reference Period, is within a certain price range (Range) set out in the Terms and Conditions. If, however, the price of the Underlying reaches or exceeds the Upper Barrier or reaches or falls below the Lower Barrier ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant**][**the Inline Warrants will expiry worthless**][***insert other provision***].**

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Inline Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of an Inline Warrant differs from that of a traditional call or put warrant. It is a particular characteristic of Inline Warrants that the Warrant will be expired **[**worthless**]** once the price of the Underlying has reached or exceeded the Upper Barrier or reached or fallen below the Lower Barrier. **[**Under these circumstances, unlike with other types of Warrant, it is impossible that the price of the Inline Warrants will recover.**][In that case, the holder of the Warrant will receive no payment.]**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[●]

Down & Out Warrants

- ***General***

Down & Out Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the Ratio by which the Reference Price of the Underlying on the Valuation Date is exceeded by the Strike set out in the Terms and Conditions. If the price of the Underlying reaches or falls below the Barrier set out in the Terms and Conditions during the Reference Period ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant**][**the Down & Out Warrants will expire worthless**][***insert other provision***]**.

The right to receive the Underlying itself instead of the Cash Amount is excluded.

- ***Loss risks***

Down & Out Warrants, like all warrants, are particularly risky securities that entail the potential complete loss of the purchase price paid for them. It must be noted that a change in the price of the Warrants' Underlying, or even the non-materialisation of an expected change therein, may disproportionately affect the value of the Warrants or even render them worthless. In light of the Warrants' limited term, there is no certainty that the price of the Warrants will recover in time before their expiry.

Prospective purchasers should also note that the risk profile of a Down & Out Warrant differs from that of a traditional call or put warrant. It is a particular characteristic of Down & Out Warrants that the Warrant will expire **[**worthless**]** once the price of the Underlying has fallen below the relevant Barrier. **[**Under these circumstances, unlike with other types of Warrant, it is impossible that the price of the Down & Out Warrants will recover.**][In that case, the holder of the Warrant will receive no payment.]**

In addition, any economic considerations regarding an investment in the Warrants must also take into account the costs associated with their purchase or sale.

In addition, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Warrants.

- ***Adjustments and termination by the Issuer***

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants will expire prematurely. The Termination Amount per Warrant payable to the holders of the Warrants is determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)) by taking into account prevailing market conditions, any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"), and by deducting those expenses of the Issuer that are required for winding up the Hedging Transactions in its reasonable discretion (§ 315 German Civil Code (*BGB*)). .

- ***No regular income***

The Warrants neither represent a claim to interest nor dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Structured Warrants with Knock-out

- ***General***

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***] [**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** **[**950**][•]** if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is <u>above 100%</u> of the respective Strike Price (the "**Knock-out Event**"), then the Structured Warrants <u>will expire worthless</u>.

The Structured Warrants will be deemed automatically exercised on the Exercise Date, provided that a Knock-out Event has not occurred (Automatic Exercise). It is not possible to exercise the Structured Warrants prior to the Exercise Date.

The right to receive the Underlyings instead of the Cash Amount is excluded.

- **Loss risks**

Structured Warrants, like all warrants, are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Structured Warrants. It must be noted that a change in the price of the Structured Warrants' Underlyings, or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Structured Warrants' value and may even render them worthless.

Prospective purchasers should also note that the risk profile of the Structured Warrants differs from that of a traditional call or put warrant. **It is a particular characteristic of the Structured Warrants that they will expire worthless if on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price**.

In addition, any economic considerations regarding an investment in the Structured Warrants must also take into account the costs associated with their purchase or sale.

Furthermore, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Structured Warrants.

- **Adjustments and termination by the Issuer**

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to early terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Early Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)).

- **No regular income**

The Warrants do not represent a claim as to interest or dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

Structured Warrants with Knock-in

- ***General***

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** 0 if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price (the "**Knock-in Event**"), then the Structured Warrants will be early redeemed on the relevant Knock-in Settlement Date at the Knock-in Amount which is the sum of (i) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** plus (ii) a percentage of **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** which will increase during the term of the Structured Warrants with every Observation Date on which a Knock-in Event does not occur.

The Structured Warrants will be deemed automatically exercised on the Exercise Date, provided that a Knock-in Event has not occurred (Automatic Exercise). It is not possible to exercise the Structured Warrants prior to the Exercise Date.

The right to receive the Underlyings instead of the Cash Amount is excluded.

- **Loss risks**

Structured Warrants, like all warrants, are particularly risky investment instruments that entail the risk of a complete loss of the purchase price paid for the Structured Warrants. It must be noted that a change in the price of the Structured Warrants' Underlyings, or even the non-materialisation of an expected change therein, may result in a disproportionate change in the Structured Warrants' value and may even render them worthless.

Prospective purchasers should also note that the risk profile of the Structured Warrants differs from that of a traditional call or put warrant. **It is a particular characteristic of the Structured Warrants that they will expire worthless if on the Exercise Date the Reference Price of at least one of the**

Underlyings is below 100% of the respective Strike Price. Further to this, investors are advised that the Cash Amount, if any, will be less than the Knock-in Amount payable upon a Knock-in Event.

In addition, any economic considerations regarding an investment in the Structured Warrants must also take into account the costs associated with their purchase or sale.

Furthermore, investors bear the risk that the Issuer's financial situation may deteriorate - or that insolvency proceedings might be instituted with regard to its assets - and that the Issuer might therefore default on the payments due under the Structured Warrants.

- **Adjustments and termination by the Issuer**

The Issuer may be entitled to perform adjustments in accordance with the Terms and Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

In addition, the Issuer may be entitled to early terminate the Warrants in accordance with the Terms and Conditions. In that case, the Warrants shall expire prematurely. The Early Termination Amount per Warrant payable to the holders of the Warrants shall be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code (*BGB*)).

- **No regular income**

The Warrants do not represent a claim as to interest or dividend payments and thus do **not** generate any regular income. This means that it may not be possible to compensate for potential value losses associated with an investment in the Warrants through income generated in connection therewith.

[*Other product-specific risk factors:***]**
[•]

RISK FACTORS RELATING TO COMMERZBANK AKTIENGESELLSCHAFT

Strategic and Competition Risks

There is a risk that the Group may not be able to implement its strategic plans, that it may not be able to implement them in full or that it will only be able to implement them at costs that are higher planned.

In acquiring Dresdner Bank and merging it with and into Commerzbank, the Bank has set itself the objective to establish the Group for the long term as one of the leading German banks and creating a platform to unlock further growth potential, especially in Germany. In particular, the Bank aims to make the Group one of the leading main banks for private and corporate customers in Germany. However, the renewed deterioration in economic conditions in the Group's core markets, i.e., particularly in Germany and Central and Eastern Europe, and worsening capital market conditions may prevent this goal from being achieved and the new strategic orientation from being implemented. Should the Group fail to implement the strategic plans it has announced, or fail to do so in full, or if the costs associated with the implementation of these plans were to exceed the Company's expectations, the Group's business, results of operations and financial condition could be materially adversely affected.

The markets in which the Group operates, especially the German market and within that market the Retail and Investment Banking segments, are characterized by intense competition in terms of prices and conditions, which puts substantial pressure on margins.

The german banking sector is fiercely competitive. Competition is correspondingly intense and is frequently waged via prices and conditions, resulting in margins that are commercially unattractive or inappropriate to the level of risk.

In the retail business there exists to some extent extensive overcapacity. Such overcapacity may intensify in future as many competitors are increasing their focus on retail banking at the expense of their core business on the back of the financial markets crisis. In addition, the banks seek to reduce their dependency on the interbank market by increasing the share of their funding obtained from retail deposits. This development may also lead to even more intense competition. In particular, new customers are increasingly advertised from competitors with very favorable conditions for temporary entry periods.

In the corporate client business, and also in the area of investment banking, German banks are competing with a range of foreign providers that have considerably expanded their footprint on the German market in the past few years As a result, there is a risk at present that competition in the sector will continue to intensify. On account of this intense competition, it is not possible to generate commercially attractive margins in some segments or subsegments of the market. In response to this situation, some competitors in the corporate client business do not always take sufficient account of the default risk that lending entails (risk-adjusted pricing). On account of this intense competition, it is not possible to generate commercially attractive margins in some segments or subsegments of the market.

In case of a further economic downturn competitive pressure may further increase, for example by increased price pressure and lower transaction volumes. The financial market crisis and the government stabilization measures taken thereupon have caused both a significant consolidation and concentration of financial service providers and in some cases, improvement of the capital base and of geographic reach of the Group's competitors. Therefore, the Group must compete with financial institutions that are sometimes larger and better capitalized than the Group itself and that are better positioned in the local markets.

Should the Group fail to offer its products and services on competitive terms while continuing to generate margins that at least compensate for the costs and risks associated with its business activities, its business, results of operations and financial condition could be materially adversely affected.

Financing Risks

The Group continuoulsy needs liquidity to refinance its business activities and is exposed to the risk of being unable to obtain funding on acceptable terms and to meet its current and future payment obligations or of being unable to fulfill such obligations on time and to meet regulatory capital requirements.

The Group continuously needs liquidity to refinance its business activities and is therefore exposed to the risk of being unable to meet its current and future payment obligations or of being unable to fulfill such obligations on time (liquidity risk) and therefore may have to obtain liquidity from the market on expensive terms. Liquidity risk can take various forms. For example, the Group may be unable to meet its payment obligations on a particular day and may have to obtain liquidity from the market at short notice and on expensive terms or may even fail to obtain liquidity. There is also a risk that deposits are withdrawn prematurely or that lending commitments are unexpectedly taken up. Difficulties of this nature may be triggered by circumstances that are unrelated to the Group's business and are outside of its control (for example, by negative developments in the financial markets in relation to the Group's competitors). Moreover, larger-scale losses and rating changes, which result in the provision of additional collateral with respect to rating-linked collateral agreements for derivatives transactions, can trigger an increased demand for liquidity. Furthermore, the European Central Bank ("ECB") decided in November 2009 to gradually raise the requirements for securitization transactions, which can be used as collateral for a refinancing with the ECB. This could make the acquisition of liquidity more difficult for the Group. A market-wide or company-specific liquidity crisis could negatively affect the Group's operations and thus on the Group's business, results of operations and financial condition.

The financial market crisis has resulted in downside pressure on banks' share prices and creditworthiness, in many cases irrespective of their financial strength, and has had a similar effect on other capital markets participants. If the current market dislocation continued or became worse, this could restrict the Group's access to the capital markets and limit its ability to obtain funding on acceptable terms and meet the capital requirements prescribed under supervisory provisions.

In case of such difficulties of refinancing, the Group might be forced to dispose of assets for less than their book value and to rein in its business activities. Measures of this nature could have a material adverse impact on the Group's business, results of operations and financial condition.

The requirements and conditions of the government stabilization measures which were granted to Commerzbank could negatively affect the Group's profitability and Commerzbank could not be able to repay the silent participations of the SoFFin.

The government stabilization measures granted to Commerzbank are associated with miscellaneous conditions and obligations. Some of these obligations and conditions comprise the Group's business policy, such as the obligation of the Bank, to provide the German small and medium-sized enterprises with loans at normal market rates and to establish a special lending fund for German small and medium-sized enterprises with a new lending volume of EUR 2.5 bn. Thus, the composition of the loan portfolio can be negatively affected to the detriment of earnings expectations. Compliance with these requirements and conditions could negatively affect the earnings position of the Group.

For the financial year 2010, the monetary remuneration of the board members was limited to EUR 500,000 for the case that the silent participations of SoFFin are not be serviced in full. It can not be excluded that the Supervisory Board determines a similar restriction for further financial years beginning 2011. Should the remuneration for board members for that reason no longer be competitive, this could lead to the fact that board members leave Commerzbank and new members with the necessary qualifications can not be won at all or can only be won with difficulty. This could have a significant adverse impact on the success of the business activities and therefore on the Group's business, results of operations and financial condition.

A downgrade in the rating of Commerzbank, its subsidiaries or the entire Group may make refinancing more difficult and/or more expensive and entitle contracting partners to terminate derivative transactions or to require additional collateral.

The rating agencies Standard & Poor's, Moody's and Fitch Ratings perform creditworthiness assessments to decide whether a potential borrower will in future be in a position to meet its contractually agreed credit obligations. A key element of the rating awarded is the rating agency's assessment of the borrower's business, results of operations and financial condition. A rating downgrade would therefore have negative implications for the Group's costs with regard to procuring equity and debt capital and could result in new liabilities arising or existing liabilities being accelerated for repayment if such liabilities depended on a certain rating being maintained. Commerzbank's rating is furthermore an important element in competition with other banks. In particular, it has a major influence on the ratings of its main subsidiaries. A downgrade or even the possibility of a downgrade in Commerzbank's rating or that of one of its subsidiaries could have a detrimental impact on the relationship with its customers and on sales of products and services by the company in question.

The evaluations of the rating agencies are subject to a number of factors. Different rating agencies currently assume an increased rescue tendency of the German state in favor of Commerzbank in case of a crisis in the light of the existing state participation and the considerable importance of Commerzbank for the German economy (system relevance). Without consideration of this aspect the rating of Commerzbank would be worse. Especially in connection with the future return of the silent participations of SoFFin it can not be excluded that such support will be reduced or at least will be estimated from the market to be reduced and thus will negatively impact the rating.

Furthermore, it is possible that following a rating downgrade the Group might be required to furnish additional collateral in connection with rating-dependent collateral agreements for derivative transactions. If the rating of Commerzbank or one of its subsidiaries falls below the area of the four highest rating levels (downgrade below AA- (S & P / Fitch) or below Aa3 (Moody's)), this may make refinancing on the capital market more expensive due to a substantial increase in credit spreads and prevent groups of investors from the purchase of the securities and therefore the Bank's operations or those of the subsidiary concerned and, concomitantly, the funding costs of all Group companies could be materially adversely affected. This, in turn, could materially adversely impact the Group's business, results of operations and financial condition.

There is a risk that the Group will be called upon to indemnify the German deposit protection fund against losses the fund incurs in providing assistance to a Commerzbank subsidiary.

On the basis of the statutes of the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands deutscher Banken e.V.*) (the "**Deposit Protection Fund**"), Commerzbank has furnished a declaration of indemnification to the Deposit Protection Fund for a number of its associates that are members of the Deposit Protection Fund (comdirect bank, Eurohypo, ebase) and Deutsche Schiffsbank. According to this declaration, the Bank has undertaken to indemnify the fund against any losses it incurs in providing assistance to one of the aforementioned companies. Any intervention by the Deposit Protection Fund to support these subsidiaries of Commerzbank could therefore have a material adverse effect on the Group's business, results of operations and financial condition. Moreover, any rescue measures taken by the Deposit Protection Fund in favor of one of these subisidiaries could result in sustained reputational damage to the Group.

Risks arising from the Integration of the former Dresdner Bank

The synergetic effects arising from the integration of the former Dresdner Bank into the Group may turn out to be smaller than expected or be realized later than anticipated. In addition, the continuous integration is subject to significant costs and investments which could exceed the planned budgets.

The Bank expects the integration of Dresdner Bank into the Group to unlock substantial synergetic effects and has also taken this into account in its medium-term planning. However, these effects may be smaller or be realised at a later date than expected. Moreover, the integration project is a complex and time-consuming enterprise which will tie up senior resources at the Group for a long period. This may result in other areas not being managed to the extent required, which could mean that ongoing business activities suffer. The ongoing implementation of the integration project entails a large number of decision-making processes, which can cause unease among staff. The integration of Dresdner Bank into the Group also involves significant costs and investment (especially in connection with standardizing IT systems and realizing planned headcount reductions). These costs and investments eroded the Group's operating profits and its return on equity in the past and could erode the operating profits and return on equity in the future. Furthermore, unexpected risks and problems may arise that the Board of Managing Directors cannot currently foresee or evaluate. If these risks or problems were to arise, they could make the integration of Dresdner Bank into the Group more difficult and, in particular, result in an unplanned increase in the cost of the integration process. Particularly in the case of pending IT integration costs could be higher. Each of these factors could have material adverse implications for the Group's business, results of operations and financial condition.

It is possible that the goodwill and brand names reported in the consolidated balance sheet will have to be written down, in full or in part, as a result of impairment tests.

As of September 30, 2010, the goodwills shown in the balance sheet amounted to EUR 2.1 bn, of which EUR 1.7 bn was the goodwill accounted in connection with Dresdner Bank. This asset will be tested at least at each balance sheet date with respect to its future economic benefit based on the underlying cash-generating units. In this process, the carrying amount of the cash-generating units (including the attributed goodwill) will be compared with the recoverable amount. The recoverable amount is the higher of the usage value or the fair value less disposal costs and is based on the expected cash inflows from the unit in accordance with the business plan, discounted with a risk-adequate interest rate. If there are objective indications that the economic benefits originally identified can no longer be realised, an impairment charge must be taken. If an impairment review on a future balance sheet date results in a significant impairment of the goodwill or trademark rights recognised on the balance sheet, the Group's business, results of operations and financial condition could be materially adversely affected.

The sales partnership between Allianz SE ("Allianz") and the Group in respect of asset management and insurance products may not generate the benefits envisaged.

As part of the acquisition of Dresdner Bank by Allianz and the disposal of cominvest Asset Management GmbH, cominvest Asset Management S.A., Münchener Kapitalanlage Aktiengesellschaft and MK LUXINVEST S.A. (together the "cominvest Group") to Allianz Group, a long-term sales partnership was agreed between the Group and Allianz in respect of the sale and distribution of asset management and insurance products. Structural changes in customers' demand behavior as well as changes in the regulatory and tax framework, which may affect the relative appeal of investment and retirement products could have implications for their sales. As a consequence, actual business performance could lag behind plans. This could have a material adverse impact on its business, results of operations and financial condition.

There is a risk that the customers of Dresdner Bank migrated in the course of the acquisition of may not remain customers of the Group in the long term.

In aquiring of Dresdner Bank, there is a risk that the customers of Dresdner Bank may not remain customers of the Group in the long term and therefore will not generate the income expected. In particular, there is a risk that it is not possible for Commerzbank to permanently bind customers of Dresdner Bank. This risk could further intensify due to circumstances that result from the proceeding integration of the customer base (e.g., temporarily restricted online services during the IT migration).

Furthermore, changes in the support of present Commerzbank customers due to the acquisition (such as closing branches) could lead to the fact that such present Commerzbank customers will terminate their business relationship. This could have a material adverse effect on the Group's business, results of operations and financial condition.

Credit Risks

The Group is subject to counterparty risks (credit risks), also in respect of large individual exposures as well as in engagements that are concentrated in specific sectors, so-called bulk risk.

The Group is subject to credit risks, especially creditworthiness and counterparty risks, arising from the credit business with customers and banks (mainly from loans to private and corporate customers, real estate financing as well as claims against banks, insurance companies, financial service providers as well as sovereigns and public entities), the credit substitution business (i.e., transactions involving structured credit products), financial instruments in the investment portfolio (such as bonds issued by industrials, banks, insurance companies and governments), other financial instruments and derivative transactions. Counterparty risks include the risk of losses due to the default of counterparties and the change of such risk. In addition, counterparty risks include country risks, issuer risks as well as counterparty risks and settlement risks arising from trading activities.

The risks described above are exacerbated by risk concentrations on certain sectors and individual large borrowers or counterparties (so-called bulk risk). The Group categorizes bulk-risk on the basis of thresholds of the maximum loss in value at a given probability during a given holding period.

If any or all of the risks described above arose, this could have material adverse implications for the Group's business, results of operations and financial condition.

The real estate financing business and the business activity of the Group in ship financing are subject to special risks with regard to the volatility of the real estate and ship prices, counterparty risks (credit risks) influenced therefrom as well as considerable changes in value of the real estate and ship collateral provided.

Especially, the commercial success of the real estate finance operations of Eurohypo depends on trends in the property markets, which are still affected by uncertainties. In real estate financing, the credit default risk depends not only on those risks, the profitability of the property and price trends in the relevant segment of the real estate industry but also on the general economic development and the development of private incomes. As a consequence of the financial market crisis and the economic slump, the market values of many properties have been subject to considerable fluctuations for some time now and have fallen sharply in some cases, which has had a correspondingly negative impact on Eurohypo's business activities. The negative trend in real estate prices in important markets, particularly in the U.S., Spain and the United Kingdom, both privately used and the commercial real estate continues without a foreseeable end so far. Factors that can have a sustained influence on the real estate market include the relationship between the supply of commercial properties and the demand for them, construction delays and defects, legacy issues and ground contamination, the insolvency and the availability of tenants, the restrained investment behavior and general cyclical fluctuations on the property market.
Ships that are provided to the Group as part of its business activities as collateral in connection with the ship financing are subject to similar structural fluctuations in value. The value of the ships depends decisively on their capacity and from the charter rates, which in turn by the development of world trade, that has excelled in the past two years by a very high volatility with negative effects on individual ship segments. For this reason, in particular the collateral provided for the loan portfolios in the Group Divisions Commercial Real Estate and Ship Finance is subject to significant fluctuations in value. Depreciation in values of collateral procided for loans can lead to an increase of risk provisioning to cover the acute and latent credit default risks. They can also lead to the fact that the security is no longer sufficient to cover the outstanding loan volume in case of liquidation of the collateral. In this case, a depreciation would be required. All this could significantly adversely affect the Group's business, results of operations and financial condition.

Risks arising from Structured Credit Products

It is possible that the Group will have to make further write-downs in future especially on structured financial instruments with and without US-subprime exposure on account of volatile and illiquid market conditions and suffers further losses in connection with the reduction of such portfolios.

As result of the crisis on the markets for securities related to the U.S. residential mortgage market in July 2007 and later with the insolvency of the investment bank Lehman Brothers the capital markets were marked by increasing and temporarily even total illiquidity. This results in certain categories of securities held by the Group, including securities that were awarded very good ratings by the rating agencies, to significant losses in value. In certain areas, still no full normalization of the liquidity of the markets has been reached.

The Group is subject to the risk of impairments and losses in respect of both financial instruments with subprime exposure and other structured financial instruments. This risk persists despite the market recovery occurred at the end of 2009. The risk of further substantial losses results from the continuing uncertainty in the markets, which is currently driven by doubts about the solvency of the countries of Portugal, Italy, Ireland, Greece and Spain. It is currently not predictable how long the uncertainty will exist or whether a further deterioration will follow. Therefore it is certainly possible that the Group will incur further significant charges upon the disposal of structured financial instruments, or in the event of defaults on these instruments due to liquidity bottlenecks in the relevant markets or other developments relevant from a valuation perspective. The risk of disruptions increases in the case of financial instruments, which are secured by mortgage loans, *inter alia* because of the fact that real estate prices have fallen sharply in recent years in some markets. This could mean that borrowers are not in a position to completely or partially refinance loans secured by mortgages at maturity.

Moreover, the recession is reflected in many economies relevant for the bank by rising unemployment and thus increasing residue for non-performing loans. As a result, loans underlying the structured financial instruments could default. This difficulty is exacerbated due to a large number of loans secured by mortgages that will mature in the coming years. Finally, in the U.S. recently occured issues in relation to the legally proper transfer of mortgages on private real estate to the securitization vehicles and also as part of proper enforcement of private real estate.

Should the Group no longer be in a position to use valuation models to calculate the fair value of financial instruments with U.S. subprime exposure and other structured instruments, future write-downs and/or losses could prove to be even greater than in the past. This also includes the risk that the write-downs already made are not sufficient to cover the future loss of principal and interest payments. The fair value of an asset or a liability is defined as the price at which the asset is exchanged between knowledgeable, willing parties or the liability could be settled. A decline in the fair value of an asset or an increase in the fair value of a liability gives rise to a corresponding charge in the income statement. Depending on the extent of the change in value, the level of this charge could be significant and entail a substantial loss. Calculating the fair value of financial instruments with U.S. subprime exposure or other structured instruments on the basis of actual market or indicative prices in the future could result in market prices reach substantially lower levels than those of model prices, which could cause a significant loss. Prices could reach a very low level if portfolios of structured products were sold at a very large discount to market values.

The segment Portfolio Restructuring Unit is tasked with the active and transparent management and reduction of the portfolios and structured bonds within the segment that have been earmarked for downsizing. The latter group of assets is mainly composed of bonds, loans, credit default swaps ("CDSs") and tranches on pools of credit default swaps, which are outside the strategic focus of the Group. In this case, given the further high volatility in the markets, the risk of further significant decreases in value and the risk of capital losses exist.

If any of the risks described above arose, the Group's business, results of operations and financial condition could be materially adversely affected.

The markets for certain structured financial instruments in the Group's securities portfolio are exhibiting low levels of liquidity.

In large parts of its business, the Group is exposed to market liquidity risks. Some markets are still characterized by an improved but still low liquidity. In the current economic environment, this is especially true of those markets which are directly or indirectly related to the U.S. residential and commercial mortgage market but also on structured financial products linked to European residential and commercial mortgage markets (e.g. Spain and the United Kingdom). In addition, the financial market crisis led to a recession in the real economy in many markets important for the Group as a consequence of which the liquidity also significantly decreased in the meantime. In illiquid markets, it is possible that the Group will find it difficult to dispose of assets at short notice without a substantial discount or to engage in corresponding hedging transactions. This could have a material adverse impact on the Group's business, results of operations and financial condition.

Contracts with bond and credit insurers, especially monoline insurers, are subject to significant default risk due to the threat of insolvency faced by these insurance companies.

In connection with OTC derivatives (including CDS) the Group is subject to default risks vis-à-vis bond and credit insurers, including monoline insurance companies and credit derivative product companies ("CDPCs"), despite a significant reduction in the meantime. CDS are recognized at fair value in the balance sheet. The fair value of a CDS depends in part on the expected default risk of the underlying financial instrument used for hedging purposes and on that of the relevant monoline insurer or CDPC itself. Towards the end of 2007, the crisis on the U.S. residential mortgage market began to have a negative impact on the risk-taking capacity of the monoline insurers and the CDPCs also operating in this segment. As a result, the Group revalued the CDS it had concluded with monoline insurers and CDPCs as well as its receivables from similar transactions. The position of the monoline insurers and CDPCs is still considered to be critical on account of rating downgrades, the need to raise fresh capital on the market and possible legal and regulatory changes. Should the financial position of the bond and credit insurers in general and the monoline insurers and CDPCs in particular continue to deteriorate, the Group could be forced to make additional value adjustments to the CDS concluded with these companies and its receivables from similar transactions, which could have a material adverse effect on its business, results of operations and financial condition.

In addition, as this happened with a particularly critical evaluated monoline insurer in the past, the entire hedge can to be written down and terminated, with the result that the Group fully is exposed to the risks of the underlying transactions next to the value loss from the depreciation without protection by a third party.

Market Risks

The Group is subject to market price risks with regard to the valuation of shares and fund units.

In 2007 and 2008 the prices for shares and fund units were falling due to negative sentiment on the financial markets resulting in significant impairment and disposal losses. Since 2009, a significant part of this impairment was subsequently recovered. Should this development again turn around, this could result in devaluation of the shares and fund units held in the Group's financial investment and trading portfolio and could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to market price risks in form of interest rate risks.

The Group is subject to market price risks in form of interest rate risks The Group is subject to interest rate risk to the extent that asset-side and liability-side positions in the various maturity ranges do not match the amount or the interest rate (fix or variable), which gives rise to open asset-side and liability-side interest rate positions. For open liability-side fixed interest positions, falling market interest rates result in a decline in the market value of the liability-side positions and may entail a decrease in the interest margin. For open asset-side fixed interest positions, rising market interest rates result in a decline in the market values of the asset-side positions and may entail a decrease in the interest margin. In the case of variable-rate products, interest rate changes do not entail any market value risk; however, changes to market interest rates lead to a change in interest expense or income. Risks also arise if, time bands of fixed and floating rate positions are facing each other, as this can result in active or passive open interest positions. If the Group is not successful in managing its open interest positions efficiently in line with market trends and the predetermined limits, this could have material adverse implications for the Group's profitability, its risk-bearing capacity and its core capital and total capital ratios.

It is possible that changes in market interest rates lead to a flat or even inverted yield curve. This can generally affect the opportunity for a bank to generate from the refinancing of long-term assets by means of shorter-term liabilities, a positive net interest income from maturity transformation (so-called structural contribution). Whether and to what extent this risk is realized depends on the actual term transformation position of the bank. Particularly over a longer period of time a flat or inverted yield curve could significantly harm the interest margin and profitability of the Group.

If any or all of the risks described above arose, this could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to market price risks in form of credit spread risks.

The uncertainty on the financial markets triggered by the financial crisis and the scarcity of liquidity have caused spreads, the yield differentials versus risk-free investments, to widen sharply. Whereas in some markets regeneration tendencies can be seen the risk of default of some countries like Portugal, Italy. Ireland, Greece and Spain is still classified to be critical. If widening of the spreads continued or even accelerated, this would lead to a further decline in market values and therefore in case of disposals a loss in the net present value of outstanding bonds and corresponding additional pressure on the revaluation reserve. Additional net present value losses in the financial investment portfolio could have a material adverse impact on the Group's business, results of operations and financial condition.

Currency risks could negatively affect the Group's business, results of operations and financial condition.

The Group's subsidiaries resident outside of the eurozone prepare their individual financial statements in foreign currency. Currency fluctuations between the euro and the respective local currencies can mean that during conversion of positions in the standalone financial statements that are not denominated in euro for inclusion in the consolidated financial statements, different exchange rates are applied from those used in previous reporting periods and that these conversion differences weigh on the Group's equity capital. In addition, the Company and other Group companies resident in the eurozone engage in transactions that are not denominated in euros. The relative appreciation or depreciation of the respective foreign currency versus the euro can lead to correspondingly higher costs or lower income from these foreign currency transactions. To the extent this risk is not hedged, the Group's business, results of operations and financial condition could be materially adversely affected.

The Group is subject to market price risks in form of commodity price risks.

In its operating business, the Group is exposed to market price risks arising from trading in commodity-related derivatives, certificates and spot transactions. The underlying commodities are principally precious metals, industrial metals, energy and agricultural products. The prices of these financial instruments can rise or fall due to a wide range of factors, including general economic conditions, market trends, exchange rate movements and changes in the legal and political framework. If positions are not fully hedged against these risks, losses may arise which could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group is subject to market price risks in form of volatility and correlation risks.

The Group is engaged in the structuring and trading of financial derivatives. Derivatives are subject to price fluctuations due to volatility changes of the instruments underlying the prices (such as shares, currencies, interest rates and commodities). To the extent derivatives are linked to two underlying instruments (e.g. two currencies or a portfolio of shares) or to a portfolio of underlying instruments, the prices of these derivatives are also subject to what are known as correlation fluctuations. . Correlation is a statistical measure of the linear interaction between two underlying instruments – the higher the correlation coefficient, the greater the extent to which the two underlyings will move in step. If derivative positions are not hedged against volatility changes or correlation fluctuations, losses may arise which could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group's strategies for hedging against market risks may prove to be ineffective.

The Group makes use of a range of instruments and strategies to hedge against market risks. If these instruments and strategies prove ineffective or only partially effective, the Group may suffer losses. Unforeseen market developments such as the dramatic deterioration in the U.S. residential mortgage market that occurred in July 2007 or the development of government bonds of various countries that occurred beginning of 2010 may significantly reduce the effectiveness of the measures taken by the Group to hedge risks. Gains and losses from ineffective risk-hedging measures may heighten the volatility of the results achieved by the Group and could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

Risks arising from Equity Investments

The Group is subject to special risks in relation to its equity investments in listed and unlisted companies regarding the impairment of such investments and their management.

The Group holds various equity investments in listed and unlisted companies. The efficient management of this portfolio entails corresponding funding costs, which may not be (fully) offset by the dividends obtainable from these investments. Many of equity investments that the Group holds in large listed companies are only minority holdings. This may make it more difficult for the Group to promptly obtain information required to timely counteract possible undesirable developments. Where the Group holds majority interests minority shareholders may be able to block important decisions. Furthermore, it cannot be ruled out that in future the Group will have to make valuation allowances with respect to its portfolio of equity investments. In addition, Commerzbank remains committed to divest non-strategic investments. It cannot be ruled out, that the Group will not be successful in disposing of its equity investments via the stock market or in off-exchange transactions at appropriate prices. Losses and risks of investments as well as adverse business or market conditions - especially low liquidity - might make it more difficult to achieve adequate prices in the sale of these assets. They may also prevent such a sale as a whole. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Risks arising from Pension Obligations

The Group is exposed to risks on account of direct and indirect pension obligations.

Commerzbank and its subsidiaries have various direct and indirect pension obligations towards their current and former staff. These obligations constitute contingent liabilities for accounting purposes, as the precise timing and duration of payout is not confirmed. These obligations therefore entail various risks. In making a commitment to grant direct pension benefits, the Group assumes similar risks as a life insurance company (*e.g.*, fluctuation risk, the risk of sudden changes to the balance sheet, longevity risk, administrative risks, inflation risk, etc.).. The assets reserved in the business or in segregated pension funds to meet subsequent pension payments are subject to the risks typically associated with a capital investment. The volume of existing pension obligations may increase on account of judicial rulings and legislation (for example with reference to factors such as equality of treatment, adjustment, non-forfaitability and retirement age).. Risks, however, may also arise due to changes in tax legislation and/or in judicial rulings as well as inflation rates or interest rates. Obligations similar to pensions (such as obligations in respect of early retirement, part-time work arrangements for older employees and anniversaries) also carry similar risks. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition

Operational Risk

The Group is exposed to a wide range of operational risks including the risk of breaches of compliance-related provisions in connection with the exercise of its business activity, such as provisions for limitation of money laundering. It cannot be ruled out that circumstances or trends may arise that were not anticipated, or were anticipated only to an inadequate extent, when the operational risk models were designed.

As part of its normal business activities, the Group conducts a large number of complex transactions in a wide range of jurisdictions and in this connection is exposed to a variety of operational risks. These risks concern, in particular, the possibility of inadequate or erroneous internal and external work processes and systems, regulatory problems, breaches of compliance-related provisions in connection with the exercise of business activities, such as rules to prevent money laundering, human errors and deliberate legal violations such as fraud. Moreover, it is possible that external events such as natural disasters, terrorist attacks, wars and pandemias or other exceptional situations could have a highly negative impact on the environment in which the Group operates and thus, indirectly, on the Group's internal processes. Such events may cause the Group to suffer substantial losses and reputational harm. Furthermore, the Group may be forced to make staff redundant, which might have a detrimental impact on the Group's business The Group endeavors to hedge operational risks by implementing appropriate control processes tailored to its business and the market and regulatory environment in which it operates. Nevertheless, it is possible that these measures prove to be ineffective in relation to particular or all operational risks to which the Group is exposed. Even though the Group endeavors to insure itself against the most significant operational risks, it is not possible to obtain insurance cover for all the operational risks on commercially acceptable terms on the market. Should one, some or all of the risks described in this paragraph arise, the Group's business, results of operations and financial condition could be materially adversely affected.

IT Risks

The Group is highly dependent on complex information technology ("IT") systems whose functionality may be impacted by internal and external circumstances.

The type of comprehensive institutional banking carried out by the Group is highly dependent on complex IT systems. IT systems are prone to a range of problems such as computer viruses, damage, other external threats, operational errors and software or hardware errors. The harmonization of the wide variety of IT systems used in the Group to create a standardized IT architecture, especially in connection with the integration of Dresdner Bank presents a particular challenge. Furthermore, regular upgrades are required for all IT systems to meet the demands imposed by constant changes in business and supervisory requirements. In particular, compliance with the Basel II requirements has placed major demands on the functionality of the Group's IT systems and will continue to do so in the future as well as Basel III requirements will again increase the demands on the IT systems in the view of Commerzbank. If these risks were to materialise, the Group's business, results of operations and financial condition could be materially adversely affected.

The growing significance of electronic trading platforms and new technologies may negatively affect the Group's business activities.

The use of modern technologies is highly significant to the banking sector and the Group's business. Continuous growth in electronic trading and the introduction of related technologies are changing the manner in which banking business is conducted and are creating new challenges. Securities, forward and option transactions are increasingly being processed electronically. Some of the electronic trading platforms via which these transactions are processed are in competition with the systems currently used by the Group, and it is foreseeable that the expected further penetration of electronic trading platforms will further intensify this competition in future. In addition, because the Group's customers are increasingly using low-cost electronic trading platforms that offer them direct access to the trading markets, this trend could lead to a reduction in the brokerage commissions and margins generated by the Group, which could have material adverse implications for the Group's business, results of operations and financial condition.

Personnel Risks

It is not certain whether the Group will continue to succeed in attracting and retaining qualified staff in future.

Across all its business areas, the Group is dependent on its ability to hire highly qualified employees and to retain them for the long term. The Group endeavors to counteract the risk of losing expertise as a result of key employees leaving the Group by taking various actions such as talent, management and career development measures. Should the Group's efforts to hire qualified employees and retain such staff fail in the future, its business, results of operations and financial condition could be materially adversely affected.

Regulatory and Legal Risks

The bank regulatory framework in the various jurisdictions in which the Group operates may change at any time, and non-compliance with regulatory provisions can result in the imposition of penalties and other disadvantages, up to the loss of administrative licenses.

The Group's business activities are regulated and supervised by the central banks and supervisory authorities in the countries in which it operates. In each of these countries, a banking license or at least notification of the national supervisory authorities is required for Commerzbank, its subsidiaries and, from time to time, also its branches and in some cases for the Group in its entirety. The bank regulatory regime in the various countries may change at any time. For example, additional requirements may be imposed on the regulated entities that limit their ability to operate in certain business areas or even rule out such activities completely. In addition, violations of rules that are not directly attributable to the banking regulations, can have regulatory consequences. In addition, compliance with changed regulatory requirements may lead to a material increase in the Group's administrative expenses. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Commerzbank and its subsidiaries are subject to damages, warranty and rescission actions.

Given the nature of its business, Commerzbank and its subsidiaries are regularly parties to a variety of judicial, arbitration and regulatory proceedings in Germany and a number of other jurisdictions. Such proceedings are characterized by a large number of uncertainties, and definitive predictions as to their outcome are not possible. Some of the risks associated with such proceedings are difficult to quantify or may not be quantified at all. As a result, it is possible that the losses resulting from pending or potentially imminent proceedings will exceed the provisions made for them, which could have a material adverse effect on the Group's business, results of operations and financial condition.

The measures the Group has taken for data protection purposes and to ensure data confidentiality could prove to be inadequate and could lead to reputational and other damages.

The data used by the Group in connection with its business activities are strictly confidential and subject to data protection and information security. The Group has taken a number of measures to protect the data processed and administered in the course of its business activities against misuse. However, it cannot be ruled out that these measures will prove to be inadequate and that the confidentiality of customer data will be breached by employees of the Group or third parties who circumvent the Group's security systems and obtain unauthorized access to these data. This may trigger obligations on the part of the Group to pay damages, which could result in a material deterioration in the Group's business, results of operations and financial condition. In addition, there may be negative implications for the Group's reputation.

The Group is subject to risks in respect of tax audits; changes to tax legislation or judicial rulings on tax matters could have a detrimental impact on the Group's business activities, its business, results of operations and financial condition.

The business operations of Commerzbank are assessed for tax reasons on the basis of current tax laws and consideration the current case law and administrative interpretation. In case of the existence of tax law uncertainty as to the question of how such transactions are to be judged, Commerzbank considers generally a risk-averse position. Nevertheless, if substantial additional tax demands are imposed, these could have a significant negative impact on the assets, financial position and results of the Group.

The Group is regularly inspected by domestic and foreign tax authorities. In Germany, currently at Commerzbank, the tax years 1998-2008 are reviewed. This long audit period is, inter alia, due to the merger of Dresdner Bank to Commerzbank. These audits can result in the changing of the tax assessments of Commerzbank and its subsidiaries, which can lead to additional tax demands. Because of the long period of the tax audit there is an increased risk that additional tax is demanded. Tax risks discovered up to or during the course of the audit will be covered by Commerzbank through additional risk provisioning. If the future additional tax demands are much higher than the provisions in the balance sheets of the companies as formed or to be formed this could have significant negative effects on the Group's business, results of operations and financial condition.

Changes in the view of fiscal authority, tax legislation or tax law, could also adversely affect the Group's business, results of operations and financial condition.

It cannot be ruled out that the Group will be unable to adequately or timely satisfy the conditions imposed by the European Commission in respect of the government stabilization measures that have been granted, to the compliance of which it has committed itself vis-à-vis SoFFin, or that the Group will suffer commercial disadvantages in connection with satisfying the conditions.

On May 7, 2009, the European Commission declared that the stabilization measures taken up by the Bank are, in principle, compatible with the state aid provisions set out in the EU Treaty. However, for competitive reasons, the Federal Republic of Germany undertakes to ensure that the Commerzbank complies with a number of conditions to which Commerzbank agreed to comply with in contract with the SoFFin. It cannot be ruled out that the Group will be unable to adequately and timely satisfy the conditions imposed by the European Commission. In the event of a breach of the conditions imposed by the European Commission, the Group could be required to repay, at least in part, the government funds received by it. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

The legal relationships between the Group and its customers are based on standardized contracts and forms designed for a large number of business transactions; individual application problems or errors in this documentation may therefore affect a large number of customer relationships.

The Group maintains contractual relationships with a large number of customers. In all business areas and divisions, the administration of such a large number of legal relationships necessitates the use of general terms and conditions of business, standard contracts and forms. The concomitant standardization means that issues in need of clarification, wording errors or the use of individual terms and conditions of business, standard contracts or forms pose a material risk on account of the large number of copies issued. In light of the ongoing changes in the overall business framework due to new laws and judicial rulings and the increasing influence of European legislation on national law, it is conceivable that not all the general terms and conditions of business, standard contracts and forms used by the Group comply with the applicable legal requirements at all times and down to the last detail. If application problems or errors arise or if individual contractual provisions or entire contracts are ineffective, this could affect a large number of customer relationships and result in substantial claims for damages or other legal consequences which would be negative for the Group, and could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

Reputational Risk

The Group is subject to various reputational risks.

The Group is exposed to various reputational risks. Reputational risks exist with respect to all business transactions that lower confidence in the Group on the part of the public, customers, business partners, investors or rating agencies. In general, each of the risks described above entails reputational risks. Because of this, as with other non-quantifiable risks, the Group has defined processes and responsibilities that make it possible to identify reputational risks at an early stage and to deliver a response. However, these procedures may prove to be ineffective. If this means that the risks materialise, the Group's business, results of operations and financial condition could be materially adversely affected.

GENERAL INFORMATION

This Base Prospectus is made in accordance with § 6 of the German Securities Prospectus Act *(Wertpapierprospektgesetz;* the "**Prospectus Act**"*)*. The final Terms and Conditions relevant for an issue under this Base Prospectus will be made available to investors in a separate document (the "**Final Terms**") on the internet page www.commerzbank.com at the latest on the day of the public offer of the respective warrants.

Prospectus Liability

Commerzbank Aktiengesellschaft (the "**Issuer**", the "**Bank**" or "**Commerzbank**", together with its consolidated subsidiaries "**Commerzbank Group**" or the "**Group**") with its registered office at Frankfurt am Main, Federal Republic of Germany, accepts responsibility for the information contained in this Base Prospectus. The Issuer hereby declares that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no material omission. The Issuer has taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with this Base Prospectus, the Warrants and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The information contained herein relates to the date of the Base Prospectus and may have become inaccurate and/or incomplete as a result of subsequent changes.

Important Note regarding this Base Prospectus

This Base Prospectus must be read in conjunction with any supplement thereto as well as any other documents incorporated by reference into this Base Prospectus and must be interpreted accordingly.

No person is or has been authorised by the Issuer to give any information or to make any representation that is not contained in, or is inconsistent with, this Base Prospectus or any other information supplied in connection with the Base Prospectus or the Securities. If any such information is given or if any such representation is made, it must not be relied upon as having been authorised by the Issuer.

Neither this Base Prospectus nor any other information supplied in connection with the Base Prospectus or the Warrants is intended to provide the sole basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the Base Prospectus or the Warrants should purchase the Warrants described in this Base Prospectus and the Final Terms. Each investor contemplating purchasing Warrants should make its own independent investigation of the Terms and Conditions of the Warrants and the Issuer's creditworthiness. Neither this Base Prospectus nor any other information supplied in connection with the Base Prospectus or the Warrants constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any of the Warrants issued hereunder.

The distribution of this Base Prospectus and the offer or sale of the Warrants may be restricted by law in certain jurisdictions. Persons coming into possession of this Base Prospectus or the Warrants must inform themselves about and observe any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of the Warrants within the European Economic Area and the United States of America (see "Offering and Selling Restrictions").

Availability of Documents

This Base Prospectus and any supplements thereto will be made available in electronic form on the website of Commerzbank Aktiengesellschaft at www.commerzbank.com. Hardcopies of this Base Prospectus may be requested free of charge from the Issuer's head office (Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany).

Furthermore, for the period of twelve months following the date of this Base Prospectus copies of the Articles of Association and the financial statements and management report of the Issuer for the financial years ended 31 December 2009 and 2008, the Annual Reports of the Commerzbank Group for the financial years ended 31 December 2009 and 2008 as well as the Interim Report of the Commerzbank Group as of 30 September 2010 (reviewed English version) and the consolidated financial statements as of December 31, 2010 (abridged English version) are available for inspection at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany or for electronic viewing at www.commerzbank.com.

Information relating to the Securities

Further information regarding a specific issue of Warrants, such as the Terms and Conditions, the Value Date, redemption or other payment calculations or information, the smallest tradable unit, currency, market disruptions, settlement disruptions, adjustments, certain risk factors (where applicable), the clearing system, the ISIN or other securities identification numbers, place of public offering, stock exchange listings, representation of the Warrants (stating the respective clearing system including its address) and other additional information, will be set out in the respective Final Terms.

Offer and Sale

The details of the offer and sale, in particular the relevant issue date and the relevant offer volume, as well as the relevant issue and/or selling price (issue price plus applicable costs) with regard to each issue hereunder will be set out in the relevant Final Terms.

Delivery of the sold Warrants will take place in accordance with applicable local market practice via the clearing system stated in the relevant Final Terms.

The issue price of the Warrants is based on internal pricing models of the Issuer and may be higher than their market value due to commissions and/or other fees relating to the issue and sale of the Warrants (including a margin paid to distributors or third parties or retained by the Issuer) as well as amounts relating to the hedging of the Issuer's obligations under such Warrants, and the price, if any, at which a person is willing to purchase such Warrants in secondary market transactions may be lower than the issue price of such Warrants. Persons who distribute the Warrants and receive a commission, fee or non-pecuniary benefits in return may be obliged under applicable law to disclose the type and amount of such commission, fee or benefit to the investor. Investors should ensure that they receive the relevant information from the relevant distributor prior to purchasing the Warrants.

Increases of a Series of Warrants

In the case of an increase of Warrants having been offered for the first time under the Base Prospectuses dated 15 December 2009 (Base Prospectus Warrants France), dated 12 February 2009 (Inline Warrants France), dated 27 February 2009 (Base Prospectus Warrants and Inline Warrants Spain), dated 12 January 2009 (Base Prospectus Warrants Finland and Sweden), dated 21 December 2009 (Base Prospectus Warrants Finland and Sweden), dated 7 October 2009 (Base Prospectus Warrants Belgium and the Netherlands), or dated 5 March 2010 (each, a "**Former Base Prospectus**"), the Terms and Conditions contained in this Base Prospectus shall be substituted by the Terms and Conditions of the Former Base Prospectus. For this purpose, the section "Terms and Conditions" of the Former Base Prospectus shall be incorporated by reference and form part of this Base Prospectus.

Calculation Agent

In cases requiring calculation, Commerzbank acts as the Calculation Agent.

Information regarding the Underlying

The Warrants to be issued under this Base Prospectus may relate to e.g. shares, indices, commodities (e.g. precious metals), futures contracts and other underlyings (the "**Underlying**"). The Final Terms to be drawn up with regard to each individual issue hereunder may contain information as to where information regarding the Underlying (ISIN, performance, volatility, index description in the case of indices) can be obtained.

Such information regarding the Underlying will be available on a freely accessible website stated in the Final Terms.

Post-Issuance Information

In the case of Warrants, in relation to which payments are linked to one or several Underlying(s), the Issuer will provide no post-issuance information regarding the relevant Underlying.

INFLUENCE OF THE UNDERLYING ON THE SECURITES

Warrants (plain vanilla)

Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the Ratio by which the Reference Price of the Underlying (e.g. a share, index, commodity (e.g. precious metals, exchange rate, bond or futures contract) on the Valuation Date exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions. **[***capped*:**][**The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.**]** Whether the holder of the Warrants is entitled to a relevant payment will to a significant extent depend upon the performance of the Underlying during the term of the Warrants.

The value of the Warrant in the secondary market will normally undergo a corresponding development: a call warrant will normally (i.e. by leaving out of account any other factors relevant for the formation of Warrant prices) lose value if the price of its Underlying falls. Conversely, the value of a put warrant will fall if the price of its Underlying rises.

"American warrants" are Warrants that can be exercised during the Exercise Period. If they are not exercised during the Exercise Period – as provided for in the relevant Terms and Conditions – the Warrants will be deemed automatically exercised on the last day of the Exercise Period, provided that the Cash Amount is a positive amount (Automatic Exercise).

"European warrants" are Warrants that will be deemed automatically exercised on the Exercise Date, provided that the Cash Amount is positive (Automatic Exercise). It is not possible to exercise these Warrants prior to the Exercise Date.

Power Warrants

Power Warrants will grant the investor the right to receive the payment of a Cash Amount that is calculated by squaring the difference that has been multiplied by the Ratio by which the Reference Price of the Underlying on the Valuation Date exceeds (in the case of Call Warrants) or is exceeded by (in the case of Put Warrants) the Strike set out in the Terms and Conditions, and converted into **[**EUR**][**SEK**][***currency***]** if necessary. The Cash Amount is capped, however, so that a price development beyond the cap will not result in an increase in the Cash Amount.

Bonus Warrants

Bonus Warrants will grant the investor the right to receive either the payment of a Cash Amount caculated as described below or the Fixed Amount set out in the Terms and Conditions.

The Cash Amount shall be calculated by multiplying (i) the Reference Price of the Underlying on the Valuation Date with (ii) the Ratio.

[*Capped*:]**[**The Cash Amount, however, is limited (capped). This means that an increase of the price of the Underlying beyond the Cap will not result in an increase of the Cash Amount. In this case the investor will receive a fixed Maximum Amount set out in the Terms and Conditions. **]**

The investor shall receive the Fixed Amount, if (i) during the Reference Period a price of the Underlying has never been equal to or below the Barrier and (ii) the Reference Price of the Underlying on the Valuation Date is equal to or below the Bonus Barrier.

Bottom-up/Top-down Warrants

Bottom-up/Top-down Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is equal to or above the Lower Barrier (in the case of Bottom-up Warrants) or equal to or below the Upper Barrier (in the case of Top-down Warrants) set out in the Terms and Conditions.

Corridor Warrants

Corridor Warrants, at the end of their term, will grant the investor the right to receive the payment of a Cash Amount, which is calculated as the sum of an amount for each Valuation Date on which the Reference Price of the Underlying, during a Reference Period, is within a Corridor set out in the Terms and Conditions.

Hit Warrants

Hit Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid as soon as the price of the Underlying, on a day within the Warrants' term, is equal to or above (in the case of Call Warrants) or equal to or below (in the case of Put Warrants) the Hit-Barrier set out in the Terms and Conditions. If, however, the price of the Underlying fails to reach the Hit-Barrier or be above it (in the case of Call Warrants) or be below it (in the case of Put Warrants) during the term of the Warrants, the fixed amount will not be paid.

Inline Warrants

Inline Warrants will grant the investor the right to receive the payment of a fixed amount that will be paid if the price of the Underlying, during a Reference Period, is within a certain price range (Spread) set out in the Terms and Conditions. If, however, the price of the Underlying reaches or exceeds the Upper Barrier or reaches or falls below the Lower Barrier ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant**][**the Inline Warrants expire worthless**][***insert other provision***].**

Down & Out Warrants

Down & Out Warrants will grant the investor to the right to receive the payment of a Cash Amount corresponding to the difference, converted into **[**EUR**][**SEK**][***currency***]** if necessary, multiplied by the Ratio by which the Reference Price of the Underlying on the Valuation Date is exceeded by the Strike set out in the Terms and Conditions. If the price of the Underlying reaches or falls below the Barrier set out in the Terms and Conditions during the Reference Period ("**Knock-Out Event**"), **[**the Cash Amount will be equal to 1/10 of a eurocent per Warrant.**][**the Down & Out Warrants expire worthless**][***insert other provision***]**.

Structured Warrants with Knock-out

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** **[**950**][•]** if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price (the "**Knock-out Event**"), then the Structured Warrants will expire worthless.

Structured Warrants with Knock-in

Structured Warrants will grant to the investor the right to receive the payment of a Cash Amount corresponding to (a) **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** if on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the respective Strike Price or (b) **[**EUR**][**SEK**][***currency***]** 0 if the Reference Price of at least one of the Underlyings is below 100% of the respective Strike Price. If, however, on an Observation Date the Reference Price of each of the Underlyings is <u>above 100%</u> of the respective Strike Price (the "**Knock-in Event**"), then the Structured Warrants <u>will be early redeemed on the relevant Knock-in Settlement Date at the Knock-in Amount which is the sum of (i)</u> **[**EUR**]**[SEK**][***currency***]** **[**1,000**][•]** plus (ii) a percentage of **[**EUR**][**SEK**][***currency***]** **[**1,000**][•]** which will increase during the term of the Structured Warrants with every Observation Date on which a Knock-in Event does not occur.

TAXATION

All present and future taxes, fees or other duties in connection with the Warrants shall be borne and paid by the holders of the Warrants. The Issuer is entitled to withhold from payments to be made under the Warrants any taxes, fees and/or duties payable by the holders of the Warrants in accordance with the previous sentence.

Taxation in the Federal Republic of Germany

Currently, there is no legal obligation for the Issuer (acting as issuer of the Warrants and not as disbursing agent (*auszahlende Stelle*) as defined under German tax law) to deduct or withhold any German withholding tax (*Quellensteuer*) from payments of interest, principal and gains from the disposition, redemption or settlement of the Securities or on any ongoing payments to the holder of any Securities. Further, income and capital gains derived from particular issues of Securities can be subject to German income tax (*Einkommensteuer*). All tax implications can be subject to alteration due to future law changes.

Prospective investors are advised to consult their own advisors as to the tax consequences of an investment in the Warrants, also taking into account the rules on taxation in the investor's country of residence or deemed residence.

[*additional taxation provisions, where applicable***]**

SELLING RESTRICTIONS

Selling Restrictions within the European Economic Area

The Warrants may be publicly offered in any member state of the European Economic Area ("**EEA**") that has implemented Directive 2003/71/EC (the "**Prospectus Directive**") (each, a "**Relevant Member State**") from and including the date of entry into effect of the respective implementation in the Relevant Member State, provided that this is permitted under the applicable laws and other legal provisions, and further provided that

(a) the Public Offering starts or occurs within a period of 12 months following the publication of the Prospectus which has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) ("**BaFin**") in accordance with the provisions of the German Securities Prospectus Act (*WpPG*) and, if the Warrants are publicly offered in a Relevant Member State other than Germany, the approval has been notified to the competent authority in such Relevant Member State in accordance with § 18 WpPG; or

(b) one of the exemptions set forth in § 3 (2) WpPG exists or, in the case of an offering outside Germany, an exemption from the obligation to prepare a prospectus exists as set forth in the implementing law of the respective Relevant Member State in which the Public Offering shall occur.

"**Public Offering**" means (i) a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Warrants to be offered, so as to enable an investor to decide to purchase or subscribe for these Warrants, as well as (ii) any additional specifications defined more closely in the implementing law of the respective Relevant Member State in which the Public Offering is to occur.

In any EEA member state that has not implemented the Prospectus Directive, the Warrants may only be publicly offered within or from the jurisdiction of such member state, provided that this is in accordance with the applicable laws and other legal provisions. The Issuer has not undertaken any steps, nor will the Issuer undertake any steps, aimed at making the Public Offering of the Warrants or their possession or the marketing of offering documents related to the Warrants legal in such jurisdiction if this requires special measures to be taken.

Selling Restrictions outside the European Economic Area

In a country outside the EEA, the Warrants may only be publicly offered, sold or delivered within or from the jurisdiction of such country, provided that this is in accordance with the applicable laws and other legal provisions, and provided further that the Issuer does not incur any obligations in that regard. The Issuer has not undertaken any steps, nor will the Issuer undertake any steps, aimed at making the Public Offering of the Warrants or their possession or the marketing of offering documents related to the Warrants legal in such jurisdiction if this requires special measures to be taken.

Selling Restrictions in the USA

The Warrants have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the "**Securities Act**") and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Warrants in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States of America or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and any regulations hereunder.

Until 40 days after the commencement of the offering of the Warrants, an offer or sale of such Warrant within the United States of America by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The blanks marked by a "●" in the following Terms and Conditions will be supplemented in the relevant Final Terms; information in square brackets may be deleted if not applicable.

TERMS AND CONDITIONS

Warrants

§ 1
FORM

1. The **[***Name*-**]** Warrants (the **"Warrants"**) of each series issued by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the **"Issuer"**) will be represented by a global bearer warrant (the "**Global Warrant**"), which shall be deposited with **[**Clearstream Banking AG, Frankfurt am Main**]** **[**Euroclear Belgium**][**Euroclear Nederland (Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., Amsterdam)**][**Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S. A., Plaza de la Lealtad, 1, 28014 Madrid, Spain (IBERCLEAR)**]** (the "**Clearing System**").

2. Definitive warrants will not be issued. The right of the holders of Warrants (the **"Warrantholders"**) to delivery of definitive Warrants is excluded. The Warrantholders shall receive co-ownership participations in or rights with respect to the Global Warrant which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

3. The Global Warrant shall bear the hand-written signatures of two authorised officers of the Issuer.

The paragraph 1 to 4. is applicable for Warrants being issued through Euroclear Finland

1. The **[***Name*-**]** Warrants (the **"Warrants"**) of each series issued by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the **"Issuer"**) will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Finland Oy, PL 1110, Urho Kekkosen katu 5C, 00101 Helsinki, Finland ("**EFi**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Finnish Act on Book-Entry System (1991/826*)* to the effect that there will be no certificated securities.

2. Registration requests relating to the Warrants shall be directed to an account operating institute.

3. Transfers of Warrants and other registration measures shall be made in accordance with the Finnish Act on Book-Entry Accounts (1991/827*)* as well as the regulations, rules and operating procedures applicable to and/or issued by EFi. The Issuer is entitled to receive from EFi, at its request, a transcript of the register for the Warrants.

The paragraph 1 to 3. is applicable for Warrants being issued through the Norwegian CSD

1. The **[***Name*-**]** Warrants (the **"Warrants"**) of each series issued by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the **"Issuer"**) will be in dematerialised registered form and will only be evidenced by book entries in the system of the Norwegian Central Securities Depositary VPS ASA, P.O. Box 4, 0051, Oslo, ("**VPS**") for registration of securities and

settlement of securities transactions (the "**Clearing System**") in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*). There will be neither global bearer securities nor definitive securities and no physical notes will be issued in respect of the Warrants. Warrants issued through the Norwegian CSD must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by VPS from time to time and as amended from time to time.

2. Transfers of the title to the Warrants and other registration measures shall be made in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*), the regulations, rules and operating procedures applicable to and/or issued by VPS (the "**Norwegian CSD Rules**").

3. The term "**Warrantholder**" in these Terms and Conditions refers to any person that is registered on a VPS-account as holder of a Warrant or, where applicable, any other person acknowledged as the holder pursuant to the Norwegian CSD Rules. For nominee registered Warrants the authorised nominee shall be considered to be the Warrantholder. The Issuer shall be entitled to obtain information from VPS in accordance with the Norwegian CSD Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Warrantholder of any Warrant shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder.

This paragraph 1 to 4. is applicable for Warrants being issued through Euroclear Sweden

1. The **[***Name*-**]** Warrants (the **"Warrants"**) of each series issued by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the **"Issuer"**) will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Sweden AB, Box 7822, Regeringsgatan 65, 103 97 Stockholm, Kingdom of Sweden ("**Euroclear Sweden**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (Sw. *lag (1998:1479) om kontoföring av finansiella instrument*) to the effect that there will be no certificated securities.

2. Registration requests relating to the Warrants shall be directed to an account operating institute.

3. Transfers of Warrants and other registration measures shall be made in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) and the regulations, rules and operating procedures applicable to and/or issued by Euroclear Sweden. The Issuer is entitled to receive from Euroclear Sweden, at its request, a transcript of the register for the Warrants.

The paragraph 1 to 3. is applicable for Warrants being issued through Euroclear France

1. The **[***Name*-**]** Warrants (the **"Warrants"**) of each series issued by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the **"Issuer"**) will be issued in bearer dematerialized form. Title to the Warrants will be evidenced by book entries (*dématérialisation*) in accordance with the provisions of the French Monetary and Financial Code relating to Holding of Securities (*inscription en compte*) (currently, Articles L. 211-3 *et seq.* and

R. 211-1 *et seq.* of the French Monetary and Financial Code). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French Monetary and Financial Code) will be issued in respect of the Warrants.

2. Transfers of the Warrants and other registration measures shall be made in accordance with the French Monetary and Financial Code, the regulations, rules and operating procedures applicable to and/or issued by Euroclear France, 115 rue Réaumur, 75081 Paris, France (the "**Clearing System**"; the "**Clearing Rules**").

3. The term "**Warrantholder**" in these Terms and Conditions refers to any person holding warrants through a financial intermediary entitled to hold accounts with the Clearing System on behalf of its customers (the "**Warrant Account Holder**") or, in the case of a Warrant Account Holder acting for its own account, such Warrant Account Holder.

4. The Issuer reserves the right to issue from time to time without the consent of the Warrantholders additional tranches of Warrants with substantially identical terms, so that the same shall be consolidated to form a single series and increase the total volume of the Warrants. The term "Warrants" shall, in the event of such consolidation, also comprise such additionally issued Warrants.

This is applicable for Warrants being issued through Euroclear Finland or Euroclear Sweden

"**Warrantholder**" means any person that is registered in a book-entry account managed by the account operator as holder of a Warrant. For nominee registered Warrants the authorised custodial nominee account holder shall be considered to be the Warrantholder.

[*insert additional or other provisions***]**

§ 2
DEFINITIONS

1. For the purposes of these Terms and Conditions, the following definitions shall apply (subject to an adjustment in accordance with § 4):

Alternative:	*Warrants with reference to a share*

The "**Underlying**" shall be the security referred to in paragraph 2 (the "**Share**").

This definition is applicable for standard Warrants with American exercise

The "**Valuation Date**" shall be the **[**Exercise Date**] [**the Exchange Business Day following the Exercise Date unless the Exercise Date falls on the last day of the Exercise Period. In that case, the Valuation Date shall be the Exercise Date**]**.

If on the Valuation Date the Reference Price of the Share is not determined and published by the Relevant Exchange or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Exchange Business Day on which the Reference Price of the Share is determined and published again by the Relevant Exchange and on which a Market Disruption Event does not occur.

[If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][**●**]** consecutive Exchange Business Days during the Exercise Period, the Warrantholder shall be entitled to withdraw his Exercise Notice. The withdrawal has to be in form of a written notice to the Warrant Agent and shall become effective only, if until the third Payment Business Day upon receipt of such notice a Reference Price of the Share is still not determined and published by the Relevant Exchange or a Market Disruption Event still occurs.**]**

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][**●**]** consecutive Exchange Business Days beyond the Exercise Period, and if also on such day the Reference Price of the Share is not determined and published by the Relevant Exchange or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Share in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

This definition is applicable for standard Warrants with European exercise, and for Down & Out-Warrants

The "**Valuation Date**" shall be the Exercise Date.

If on the Valuation Date the Reference Price of the Share is not determined and published by the Relevant Exchange or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Exchange Business Day on which the Reference Price of the Share is determined and published again by the Relevant Exchange and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][**●**]** consecutive Exchange Business Days, and if also on such day the Reference Price of the Share is not determined and published by the Relevant Exchange or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Share in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

These definitions are applicable for Structured Warrants with Knock-out or Knock-in

"**Fixing Date**" means [the Strike Date,] the Observation Dates and/or the Valuation Date.

If on a Fixing Date the Reference Price of one of the Shares is not determined and published by the Relevant Exchange or on the Valuation Date a Market Disruption Event occurs with respect to a Share, the relevant Fixing Date for the relevant Share only shall be postponed to the next following Exchange Business Day on which the Reference Price of the relevant Share is determined and published again by the Relevant Exchange and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, a Fixing Date with respect to a Share is postponed for **[**five**][**ten**][**●**]** consecutive Exchange Business Days, and if also on such day the Reference Price of the relevant Share is not determined and published by the Relevant Exchange or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Fixing Date for the relevant Share (notwithstanding the fact that a Reference Price is not determined and published or the occurrence of a Market Disruption Event) and the Issuer shall estimate the Reference Price of the relevant Share in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

"**Observation Date**" means [*dates*].

["**Strike Date**" means [*date*].**]**

"**Valuation Date**" means the Exercise Date.

"**Exchange Business Day**" shall be a day on which the Relevant Exchange and the Futures Exchange are open for trading during their respective regular trading sessions, notwithstanding the Relevant Exchange or Futures Exchange closing prior to its scheduled weekday closing time. Any trading or trading activities after or before the regular trading sessions on the Relevant Exchange or the Futures Exchange will not be taken into account.

"**Market Disruption Event**" means the occurrence or existence of any suspension of, or limitation imposed on, trading in (a) the Share on the Relevant Exchange, or (b) any option or futures contracts relating to the Share on the Futures Exchange (if such option or futures contracts are traded on the Futures Exchange), provided that any such suspension or limitation is material in the reasonable discretion of the Issuer (§ 315 German Civil Code (*BGB*)). The occurrence of a Market Disruption Event shall be published in accordance with § 9.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the respective exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only deemed to be a Market Disruption Event if such limitation still prevails at the time of termination of the trading hours on such date.

"Relevant Exchange" is the exchange referred to in paragraph 2.

"**Reference Price**" shall be **[**the price of the Share last determined and published by the Relevant Exchange on any day (closing price)**][•]**.

[*insert additional or other provisions***]**

Alternative:	*Warrants with reference to an index*

"**Underlying**" shall be the •-Index **[**(ISIN •)**]** (the "**Index**") as determined and published by the **[***Index Sponsor***]** (the "**Index Sponsor**").

This definition is applicable for standard Warrants with American exercise

The "**Valuation Date**" shall be the **[**Exercise Date**][**the Index Business Day following the Exercise Date, unless the Exercise Date falls on the last day of the Exercise Period. In that case, the Valuation Date shall be the Exercise Date**]**.

If on the Valuation Date the Reference Price of the Index is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Index Business Day on which the Reference Price of the Index is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Index Business Days during the Exercise Period, the Warrantholder shall be entitled to withdraw his Exercise Notice. The withdrawal has to be in form of a written notice to the Warrant Agent and shall become effective only, if until the third Payment Business Day upon receipt of such notice a Reference Price of the Index is still not determined and published or a Market Disruption Event still occurs.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Index Business Days beyond the Exercise Period, and if also on such day the Reference Price of the Index is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Index in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

This definition is applicable for standard Warrants with European exercise and for Down & Out-Warrants

The "**Valuation Date**" shall be the Exercise Date.

If on the Valuation Date the Reference Price of the Index is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Index Business Day on which the Reference Price of the Index is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Index Business Days, and if also on such day the Reference Price of the Index is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Index in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

These definitions are applicable for Structured Warrants with Knock-out or Knock-in

"**Fixing Date**" means [the Strike Date,] the Observation Dates and/or the Valuation Date.

If on a Fixing Date the Reference Price of one of the Indices is not determined and published or on the Valuation Date a Market Disruption Event occurs with respect to an Index, the relevant Fixing Date for the relevant Index only shall be postponed to the next following Index Business Day on which the Reference Price of the relevant Index is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, a Fixing Date with respect to an Index is postponed for **[**five**][**ten**][●]** consecutive Index Business Days, and if also on such day the Reference Price of the relevant Index is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Fixing Date for the relevant Index (notwithstanding the fact that a Reference Price is not determined and published or the occurrence of a Market Disruption Event) and the Issuer shall estimate the Reference Price of the relevant Index in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

"**Observation Date**" means [*dates*].

["**Strike Date**" means [*date*].**]**

"**Valuation Date**" means the Exercise Date.

"**Index Business Day**" shall be a day on which the level of the Index is usually determined and published by the Index Sponsor.

"**Market Disruption Event**" means the occurrence or existence of any suspension of, or limitation imposed on, trading in the securities contained in the Index on the stock exchanges or trading systems the prices of which are the basis for the calculation of the Index, **[**or the suspension of or limitation imposed on trading in option or futures contracts on the Index on the options or futures exchange with the highest trading volume of option or future contracts relating to the Index**]**, provided that any such suspension or limitation is material in the reasonable discretion of the Issuer (§ 315 German Civil Code (*BGB*)). The occurrence of a Market Disruption Event shall be published in accordance with § 9.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

"**Reference Price**" shall be **[**the price of the Index last determined and published by the Index Sponsor on any day (closing price)**][***insert other provision***]**.

[*insert additional or other provisions***]**

Alternative:	*Warrants with reference to precious metals*

"**Underlying**" shall be **[***Precious Metal***] (***the* "***Precious Metal***"**).**

This definition is applicable for standard Warrants with American exercise

The "**Valuation Date**" shall be the **[**Exercise Date**][**the Business Day following the Exercise Date, unless the Exercise Date falls on the last day of the Exercise Period. In that case, the Valuation Date shall be the Exercise Date**]**.

If on the Valuation Date the Reference Price of the Precious Metal is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Precious Metal is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days during the Exercise Period, the Warrantholder shall be entitled to withdraw his Exercise Notice. The withdrawal has to be in form of a written notice to the Warrant Agent and shall become effective only, if until the third Payment Business Day upon receipt of such notice a Reference Price of the Precious Metal is still not determined and published or a

Market Disruption Event still occurs.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days beyond the Exercise Period, and if also on such day the Reference Price of the Precious Metal is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Precious Metal in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

This definition is applicable for standard Warrants with European exercise and for Down & Out-Warrants

The "**Valuation Date**" shall be the Exercise Date.

If on the Valuation Date the Reference Price of the Precious Metal is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Precious Metal is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the Precious Metal is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Precious Metal in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

These definitions are applicable for Structured Warrants with Knock-out or Knock-in

"**Fixing Date**" means [the Strike Date,] the Observation Dates and/or the Valuation Date.

If on a Fixing Date the Reference Price of one of the Precious Metals is not determined and published or on the Valuation Date a Market Disruption Event occurs with respect to a Precious Metal, the relevant Fixing Date for the relevant Precious Metal only shall be postponed to the next following Business Day on which the Reference Price of the relevant Precious Metal is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, a Fixing Date with respect to a Precious Metal is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the relevant Precious Metal is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Fixing Date for the relevant Precious Metal (notwithstanding the fact that a Reference Price is not determined and published or the occurrence of a Market Disruption Event) and the Issuer shall estimate the Reference Price of the relevant Precious Metal in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

"**Observation Date**" means [*dates*].

["**Strike Date**" means [*date*].**]**

"**Valuation Date**" means the Exercise Date.

"**Business Day**" shall be a day on which **[**the "London Banking Fixing" (spot fixing) for the Precious Metal generally takes place**] [***insert other provision***].**

"**Market Disruption Event**" means the occurrence or existence of any suspension of, or limitation imposed on, trading in the Precious Metal on the Interbank Spot market for precious metals or the suspension of or limitation imposed on trading in option or futures contracts on the Precious Metal on the Futures Exchange, provided that any such suspension or limitation is material in the reasonable discretion of the Issuer (§ 315 German Civil Code (*BGB*)). The occurrence of a Market Disruption Event shall be published in accordance with § 9.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

"**Reference Price**" shall be **[**the first spot fixing for a fine troy ounce (31.1035 g) of the Precious Metal quoted in USD as "London Banking Fixing" on **[***screen page***]** (or any successor page) on any day**] [***insert other provision***].**

[*insert additional or other provisions***]**

Alternative:	*Warrants with reference to futures contracts*

"**Underlying**" shall be **[**subject to the following provision**]** the **[***Futures Contract***] [***screen page***]** on the Futures Exchange with delivery month of **[***month, year***]** (the "**Relevant Futures Contract**").

Applicable only, if the expired Futures Contract is rolled into another

On a Business Day to be determined by the Issuer, which must be one of the **[**five**][●]** Business Days preceding the last trading day of the Relevant Futures Contract (the "**Futures Roll-Over Date**"), such Futures Contract shall cease to be the Underlying of the Warrants and shall be replaced by the **[**next expiring**][●]** futures contract on the Futures Exchange with a residual life of **[**at least one month**][●]**, which, from that point onwards, shall be used as the Relevant Futures Contract for the valuation of the Warrants (the "**Futures Roll-Over Event**").

In the case of a Futures Roll-Over Event the Strike shall be adjusted with effect as of the Futures Roll-Over Date based on the following formula (the "**Futures Roll-Over Adjustment**"):

A = B - (C - D) + (Roll-over Costs)
(in the case of Call Warrants)

or

A = B - (C - D) - (Roll-over Costs)
(in the case of Put Warrants)

where

A = the adjusted Strike

B = the Strike applicable on the day preceding the Futures Roll-Over Date

C = the Roll-Over Reference Price of the previous Relevant Futures Contract on the Futures Roll-Over Date

D = the Roll-Over Reference Price of the new Relevant Futures Contract on the Futures Roll-Over Date

Roll-over Costs = the costs of the relevant Futures Roll-Over Adjustment as determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)) by taking into account prevailing market conditions.

"**Roll-Over Reference Price**" is the price determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)) that is determined based on the prices traded and published on the Futures Exchange on the relevant Roll-Over Date. The Issuer shall publish the Roll-Over Reference Price according to § 9.

This definition is applicable for standard Warrants with American exercise

The "**Valuation Date**" shall be the **[**Exercise Date**]** **[**the Business Day following the Exercise Date, unless the Exercise Date falls on the last day of the Exercise Period. In that case, the Valuation Date shall be the Exercise Date**]**.

If on the Valuation Date the Reference Price of the Relevant Futures Contract is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Relevant Futures Contract is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days during the Exercise Period, the Warrantholder shall be entitled to withdraw his Exercise Notice. The withdrawal has to be in form of a written notice to the Warrant Agent and shall become effective only, if until the third Payment Business Day upon receipt of such notice a Reference Price of the Relevant Futures Contract is still not determined and published or a Market Disruption Event still occurs.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days beyond the Exercise Period, and if also on such day the Reference Price of the Relevant Futures Contract is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Relevant Futures Contract in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

This definition is applicable for standard Warrants with European exercise and for Down & Out-Warrants

The "**Valuation Date**" shall be the Exercise Date.

If on the Valuation Date the Reference Price of the Relevant Futures Contract is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Relevant Futures Contract is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the Relevant Futures Contract is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Relevant Futures Contract in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

These definitions are applicable for Structured Warrants with Knock-out or Knock-in

"**Fixing Date**" means [the Strike Date,] the Observation Dates and/or the Valuation Date.

If on a Fixing Date the Reference Price of one of the Relevant Futures Contracts is not determined and published or on the Valuation Date a Market Disruption Event occurs with respect to a Relevant Futures Contract, the relevant Fixing Date for the Relevant Futures Contract only shall be postponed to the next following Business Day on which the Reference Price of the Relevant Futures Contract is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, a Fixing Date with respect to a Relevant Futures Contract is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the Relevant Futures Contract is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Fixing Date for the Relevant Futures Contract (notwithstanding the fact that a Reference Price is not determined and published or the occurrence of a Market Disruption Event) and the Issuer shall estimate the Reference Price of the Relevant Futures Contract in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

"**Observation Date**" means [*dates*].

["**Strike Date**" means [*date*].**]**

"**Valuation Date**" means the Exercise Date.

"**Business Day**" shall be a day on which the Futures Exchange is open for trading during its respective regular trading sessions, notwithstanding the Futures Exchange closing prior to its scheduled weekday closing time. Any trading or trading activities after or before the regular trading sessions on the Futures Exchange will not be taken into account.

"**Futures Exchange**" shall be the **[***futures exchange***]** or any successor to the **[***futures exchange***]**.

In case that the Relevant Futures Contract is not longer traded on the **[***futures exchange***]** the Futures Exchange shall be such other futures exchange as determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)). The determination of another Futures Exchange shall be published according to § 9.

"**Market Disruption Event**" means the occurrence or existence of any suspension of, or limitation imposed on, trading in the Relevant Futures Contract on the Futures Exchange, provided that any such suspension or limitation is material in the reasonable discretion of the Issuer (§ 315 German Civil Code (*BGB*)) or the non-determination and/or non-publication of the Reference Price by the Futures Exchange. The occurrence of a Market Disruption Event shall be published in accordance with § 9.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits (esp. "limit-up"/"limit-down" rule) shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

"**Reference Price**" shall be **[**the *settlement price* of the Relevant Futures Contract as determined and published by the Futures Exchange on any day**][***insert other provision***]**.

[insert additional or other provisions**]**

Alternative:	*Warrants with reference to bonds*

"**Underlying**" shall be **[***Bond***]** (the "**Bond**").

This definition is applicable for standard Warrants with American exercise

The "**Valuation Date**" shall be the **[**Exercise Date**] [**the Business Day following the Exercise Date, unless the Exercise Date falls on the last day of the Exercise Period. In that case, the Valuation Date shall be the Exercise Date**]**.

If on the Valuation Date the Reference Price of the Bond is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Bond is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days during the Exercise Period, the Warrantholder shall be entitled to withdraw his Exercise Notice. The withdrawal has to be in form of a written notice to the Warrant Agent and shall become effective only, if until the third Payment Business Day upon receipt of such notice a Reference Price of the Bond is still not determined and published or a Market Disruption Event still occurs.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days beyond the Exercise Period, and if also on such day the Reference Price of the Bond is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Bond in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

This definition is applicable for standard Warrants with European exercise and for Down & Out-Warrants

The "**Valuation Date**" shall be the Exercise Date.

If on the Valuation Date the Reference Price of the Bond is not determined and published or on the Valuation Date a Market Disruption Event occurs, the Valuation Date shall be postponed to the next following Business Day on which the Reference Price of the Bond is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, the Valuation Date is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the Bond is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Valuation Date and the Issuer shall estimate the Reference Price of the Bond in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

These definitions are applicable for Structured Warrants with Knock-out or Knock-in

"**Fixing Date**" means [the Strike Date,] the Observation Dates and/or the Valuation Date.

If on a Fixing Date the Reference Price of one of the Bonds is not determined and published or on the Valuation Date a Market Disruption Event occurs with respect to a Bond, the relevant Fixing Date for the relevant Bond only shall be postponed to the next following Business Day on which the Reference Price of the relevant Bond is determined and published again and on which a Market Disruption Event does not occur.

If, according to the before-mentioned, a Fixing Date with respect to a Bond is postponed for **[**five**][**ten**][●]** consecutive Business Days, and if also on such day the Reference Price of the relevant Bond is not determined and published or a Market Disruption Event occurs on such day, then this day shall be deemed to be the Fixing Date for the relevant Bond (notwithstanding the fact that a Reference Price is not determined and published or the occurrence of a Market Disruption Event) and the Issuer shall estimate the Reference Price of the relevant Bond in its reasonable discretion (§ 315 German Civil Code (*BGB*)), and in consideration of the prevailing market conditions on such day and make a notification thereof in accordance with § 9.

"**Observation Date**" means [*dates*].

["**Strike Date**" means [*date*].**]**

"**Valuation Date**" means **[**the Exercise Date**] [•]**.

"**Business Day**" shall be a day on which the Relevant Exchange is open for trading during its regular trading sessions, notwithstanding the Relevant Exchange closing prior to its scheduled weekday closing time. Any trading or trading activities after or before the regular trading sessions on the Relevant Exchange will not be taken into account.

"**Market Disruption Event**" means the occurrence or existence of any suspension of, or limitation imposed on, trading in the Bond on the Relevant Exchange, provided that any such suspension or limitation is material in the reasonable discretion of the Issuer (§ 315 German Civil Code (*BGB*)). The occurrence of a Market Disruption Event shall be published in accordance with § 9.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Relevant Exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

"**Relevant Exchange**" shall be **[***exchange***]**.

"**Reference Price**" shall be **[**German Federal Bonds:**][**the spot price (*Kassakurs*) of the Bond as determined and published by the Frankfurt Stock Exchange on any day**]**
[Japanese Government Bonds:**][**the price determined on the basis of the Bond's reference yield as published by the Tokyo Stock Exchange on any day**]**
[US Treasury Bonds:**][**the Bond's bid price (in the case of Call Warrants) or offer price (in the case of Put Warrants) as published at 10.00 a.m. (New York time) by the New York Stock Exchange on any day on **[***screen page***]** or any successor page thereto **]**
[*insert other provision***]**.

[insert additional or other provisions**]**

Alternative:	*Warrants with reference to currency exchange rates*

The "**Underlying**" shall correspond to **[***Currency Exchange Rate***]**.

"**Valuation Date**" shall be the Exercise Date.

"**Business Day**" shall be a day **[**on which the European Central Bank (ECB) generally fixes a EUR/● rate**][●]**.

This definition shall apply in case of Warrants relating to EUR/foreign exchange rate

["**Relevant Conversion Rate**" shall be the Reference Price on the Valuation Date.**][***for warrants denominated in SEK relating to EUR/SEK rate, no Relevant Conversion Rate is needed***]**

"**Reference Price**" shall be the official Euro foreign exchange reference rate in **[**USD**][●]** as determined by the European Central Bank and published on any day on Reuters screen page ECB37 (the "**ECB Reference Rate**").

If such ECB Reference Rate ceases to be published on Reuters screen page ECB37 and is published on another screen page, then the Reference Price shall be the ECB Reference Rate as published on such other page (the "**Successor Page**"). The Issuer will give notification of such Successor Page in accordance with § 9.

Should the determination of the ECB Reference Rate be terminated permanently, then the Issuer will determine in its reasonable discretion (§ 315 German Civil Code (*BGB*)) another exchange rate for EUR in **[**USD**][●]** as the Reference Price and give notification of such other exchange rate in accordance with § 9.

If the ECB Reference Rate is not published on any day on Reuters screen page ECB37 or on a Successor Page and if the Issuer has not determined another exchange rate for EUR in **[**USD**][●]** as the Reference Price, the Reference Price shall be the price of EUR 1.00 in **[**USD**][●]**, as actually traded on the *International Interbank Spot Market* on any day at or about 2.15 pm (Frankfurt time).

This definition shall apply in case of Warrants relating to cross currency rates

"**Relevant [EUR/JPY][●]-Rate**" and "**Relevant [EUR/USD][●]-Rate**" shall be the respective official Euro foreign exchange reference rate in **[**JPY**][●]** and **[**USD**][●]** as determined by the European Central Bank and published on any day on Reuters screen page ECB37 (each an "**ECB Reference Rate**").

If any of such ECB Reference Rates cease to be published on Reuters screen page ECB37 and is published on another screen page, then the relevant ECB Reference Rate shall be the respective ECB Reference Rate as published on such other page (the "**Successor Page**"). The Issuer will give notification of such Successor Page in accordance with § 9.

Should the determination of any of the ECB Reference Rates be terminated permanently, then the Issuer will determine in its reasonable discretion (§ 315 German Civil Code (*BGB*)) another exchange rate for EUR in **[[**JPY**][[●]** or EUR in **[[**USD**][[●]** as Relevant **[[**EUR/JPY**][[●]**-Rate or Relevant **[[**EUR/USD**][[●]**-Rate, respectively, for the determination of the Reference Price and give notification of such other exchange rate in accordance with § 9.

If any of the ECB Reference Rates is not published on Reuters page ECB37 or on any Successor Page and if the Issuer has not determined another exchange rate as Relevant **[**EUR/JPY**][●]**-Rate or Relevant **[**EUR/USD**][●]**-Rate, respectively, for the determination of the Reference Price, then the price of EUR 1.00 in **[**JPY**][●]** or **[**USD**][●]** respectively, as actually traded on the *International Interbank Spot Market* on any day at or about 2.15 pm (Frankfurt am Main time) shall be the Relevant **[**EUR/JPY**][●]**-Rate or the Relevant **[**EUR/USD**][●]**-Rate, respectively.

["**Relevant Conversion Rate**" shall be the **[**Relevant **[**EUR/JPY**][●]**-Rate on the Valuation Date.**]] [***for warrants denominated in SEK relating to USD/SEK rate, no Relevant Conversion Rate is needed***]**

"**Reference Price**" shall be the price expressed in **[**JPY**][●]** for **[**USD**][●]** 1.00 (the **[**"**USD/JPY][●]-Currency Exchange Rate**") on any day which will be calculated by dividing the Relevant **[**EUR/JPY**][●]**-Rate expressed in **[**JPY**][●]** for EUR 1.00 by the Relevant **[**EUR/USD**][●]**-Rate expressed in **[**USD**][●]** for EUR 1.00.

[*insert additional or other provisions***]**

Applicable for all Underlyings	

This definition is applicable for standard Warrants with American exercise	"**Exercise Period**" shall be the period set out in paragraph 2.
This definition is applicable for standard Warrants with European exercise, Power Warrants and for Down & Out-Warrants	"**Exercise Date**" shall be the day set out in paragraph 2.
	"**Strike**" shall be the price set out in paragraph 2.
This definition is applicable for Bottom-up/Top-down- and Corridor-Warrants	"**Valuation Date**" shall be each **[***business day***]** during the Reference Period.
	"**Ratio**" shall be expressed as a decimal figure and be the ratio set out in paragraph 2.
This definition is applicable for capped standard Warrants and Power-warrants	"**Maximum Amount**" shall be an amount set out in paragraph 2.
This definition is applicable for standard Warrants with American exercise	"**Minimum Exercise Number of Warrants**" is [100][●] Warrants.
This definition is applicable only for necessary conversions, exception: the Underlying is a Currency Exchange Rate	"**Relevant Conversion Rate**" shall be the price **[**of EUR 1.00 in **[**USD**][●]**, as actually traded on the *International Interbank Spot Market* on the Valuation Date at such point of time, at which the Reference Price of the Underlying is determined and published**][●]**. **[***for warrants denominated in SEK relating to Precious Metal the Relevant Conversion Rate is the cross currency rate USD/SEK***]**
This definition is applicable for Bottom-up/Top-down-, Corridor-,Inline-, Down & Out-, Onion- and Hit-Warrants	"**Reference Period**" means the period from the first day until the last day (the "**Expiration Date**") (both dates included) set out in paragraph 2. **[Caution: for Down & Out additional definition of Exercise Date not to apply !!]**
This definition is applicable for Bottom-up/Top-down-, Corridor-,Inline-, Down & Out-, Onion- and Hit-Warrants relating to Currency Exchange Rate	"**Reference Period**" means the period from the first day until the last day (the "**Expiration Date**") (both dates included) set out in paragraph 2 until such point of time, at which the European Central Bank publishes the Euro foreign exchange reference rate in **[**USD**][●]** on Reuters screen page ECB37 as "**ECB Reference Rate**". If such rate ceases to be published on Reuters screen page ECB37 but is published on another screen page (the "**Successor Page**"), then the Reference Period shall end at such point in time at which the European Central Bank publishes the ECB Reference Rate on such Successor Page. If on the Expiration Date the ECB Reference Rate shall not be published on Reuters screen page ECB37 or on the Successor Page, the Reference Period shall expire by the lapse of the Expiration Date.

"**Payment Business Day** means a day, on which **[**commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in **[***city***]** **[**and Frankfurt am Main**]** and**]** the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET) and the Clearing System settle payments in **[**EUR**][***currency***]**.

[*insert additional or other definitions***]**

2. For each series of Warrants the terms **[***insert applicable definition***]** shall have the following meanings:

[*insert table in which the above-mentioned terms will be defined depending of the Underlying and the respective structure of the Warrant***]**

[*insert additional or other provisions***]**

§ 3
OPTION RIGHT

Alternative:	*Standard Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

The "**Cash Amount**" shall be equal to the product of (i) the amount by which the Reference Price on the Valuation Date exceeds the Strike (in the case of Call Warrants) or is exceeded by the Strike (in the case of Put Warrants) and (ii) the Ratio.

[*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**EUR**][***currency***]** 1.00.**]**

[*if the Underlying is a Bond*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one percent of the Reference Price shall be equal to **[**EUR**][***currency***]** 1.00.**]**

[*Capped*:**][**The Cash Amount, however, will not exceed the Maximum Amount.]

[*insert additional or other definitions of the Cash Amount***]**

This paragraph 1 is applicable if a conversion of the Cash Amount is necessary

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

The "**Cash Amount**" shall be equal to the product of (i) the amount by which the Reference Price on the Valuation Date exceeds the Strike (in the case of Call Warrants) or is exceeded by the Strike (in the case of Put Warrants) and (ii) the Ratio, the result being converted into EUR**][***currency***]**.

[*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**USD**][***currency***]** 1.00.**]**

[*if the Underlying is a Bond*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one percent of the Reference Price shall be equal to **[**USD**][***currency***]** 1.00.**]**

[*Capped*:**][**The Cash Amount, however, will not exceed the Maximum Amount.]

The conversion shall be made at the Relevant Conversion Rate.

[*insert additional or other definitions of the Cash Amount***]**

paragraphs 2. to 6. are applicable for standard warrants with American exercise

2. The Option Right may be exercised on any day from and including the first day to the last day until 10.00 a.m. (Frankfurt time) during the Exercise Period **[**with the exception of the day the annual shareholders' meeting of the Company takes place**][***insert other provisions of exception***]** in accordance with the following paragraphs 3 and 4. Subject to the conditions of paragraphs 3 and 4 the Option Right shall be deemed to be automatically exercised on the last day of the Exercise Period provided that the Cash Amount is a positive amount at that time (the "**Automatic Exercise**").

3. Except for the Automatic Exercise, Option Rights can only be exercised for the Minimum Exercise Number of Warrants set out in paragraph 2 or for an integral multiple thereof.

   Any exercise of less than the Minimum Exercise Number of Warrants shall be void. Any exercise of more than the Minimum Exercise Number of Warrants that is not an integral multiple thereof, shall be deemed to be an exercise of the next smaller number of Warrants which is the minimum number or an integral multiple thereof. Warrants exceeding the Minimum Exercise Number of Warrants or an integral multiple thereof shall be re-transferred for the cost and the risk of the Warrantholder to the account holding bank.

4. In order to validly exercise the Option Right, the Warrantholder is obliged to instruct the account holding bank on any Payment Business Day during the Exercise Period to

   a) deliver a written exercise notice (the "**Exercise Notice**") via the account holding bank to the Warrant Agent in the form available at the Warrant Agent or by providing all information and statements requested therein;

   b) deliver the Warrants via the account holding bank by crediting the Warrants to the account of the Warrant Agent with the Clearing System.

   The Payment Business Day during the Exercise Period on which at or prior to 10.00 am (Frankfurt time) (a) the Exercise Notice is received by the Warrant Agent, and (b) the Warrants are booked at the account of the Warrant Agent with the Clearing System shall be the "**Exercise Date**" for the purposes of these Terms and Conditions. In the case of an Automatic Exercise the Exercise Date shall be the last day of the Exercise Period.

5. Subject to § 2 paragraph 1 (Valuation Date), the Exercise Notice shall be binding and irrevocable.

6. After the valid exercise of the Option Right, the Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the account holding bank for crediting the accounts of the Warrantholders.

   In the case of an Automatic Exercise, the Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

paragraphs 2. to 5 are applicable for standard warrants with American exercise in SPAIN

2. The Warrantholders are entitled to exercise the Warrants on any Payment Business Day during the Exercise Period. Upon the last day of the Exercise Period, the Warrants which have not been exercised by the Warrantholders shall be subject to the provisions regarding the Automatic Exercise according to paragraph 4.

3. Any exercise of Warrants by the Warrantholder shall be carried out in accordance with the provisions of the following paragraphs:

   a) Minimum Exercise Number of Warrants

      Except for the case of Automatic Exercise, the number of Warrants exercisable by any Warrantholder shall not be less than the Minimum Exercise Number of Warrants.

      Any Exercise Notice which purports to exercise Warrants in an amount less than the Minimum Exercise Number of Warrants shall be void and of no effect.

   b) Exercise Notice and Exercise Date

      In order to validly exercise the Option Right, an exercise notice (the "**Exercise Notice**") must be presented to the Warrant Agent by fax, by certified mail or in person. Exercise Notices must strictly follow the form and instructions set out in the form of Exercise Notice available at the Warrant Agent. The Warrant Agent shall be authorised to reject Exercise Notices which do not comply with said instructions. Exercise Notices shall be irrevocable.

      In the case of an Exercise Notice received by the Warrant Agent on any Payment Business Day during the Exercise Period before 5:00 p.m. (Madrid time) up to the second Payment Business Day prior to the last day of the Exercise Period before 5 pm (Madrid time), the date of exercise (the "**Exercise Date**") shall be the following Payment Business Day. In the case of an Exercise Notice received by the Warrant Agent on any Payment Business Day during the Exercise Period at or after 5:00 p.m. (Madrid time) up to the third Payment Business Day prior to the last day of the Exercise Period at or after 5 pm (Madrid time), the Exercise Date shall be the second Payment Business Day following the receipt of the Exercise Notice. For any Exercise Notice which is received by the Warrant Agent on the second Payment Business Day prior to the last day of the Exercise Period at or after 5:00 p.m.

(Madrid time) or after such date, the provisions of the Automatic Exercise according to paragraph 4 shall apply.

c) Validity of the Exercise Notice

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the Warrant Agent, and shall be conclusive and binding on the relevant Warrantholder.

Any such Exercise Notice determined to be incomplete or not in proper form will be null and void. Notwithstanding this, in the event that such Exercise Notice is subsequently corrected to the satisfaction of the Warrant Agent, it shall be deemed to be a new Exercise Notice, submitted at the time such correction is delivered to the Warrant Agent.

Any Warrant for which an Exercise Notice has not been received by the Warrant Agent within the Exercise Period and which has not been automatically exercised on the last day of the Exercise Period shall be null and void.

d) Effect of the Exercise Notice

The delivery of an Exercise Notice shall constitute the irrevocable decision of the relevant Warrantholder to exercise the Warrants specified therein. After delivery of such Exercise Notice, such exercising Warrantholder may not otherwise transfer such Warrants. If, notwithstanding this, any Warrantholder does so transfer or attempt to so transfer such Warrants, the Warrantholder will be liable to the Issuer for any loss, costs and expenses suffered or incurred by the Issuer, including, without limitation, those suffered or incurred as a consequence of it having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently entering into replacement hedging operations in respect of such Warrants.

e) Cancellation of Warrants

Warrants which have been exercised and in respect of which the Cash Amount has been paid by the Warrant Agent on behalf of the Issuer to the relevant Warrantholder or Warrants which have expired worthless will be cancelled.

4. Automatic Exercise on the last day of the Exercise Period

Any Warrants which have not been exercised by the Warrantholder **[**by the last day of the Exercise Period**] [**by 10:00 a.m. (Madrid time) on the last day of the Exercise Period**] [•]** will be automatically exercised on the last day of the Exercise Period without the need of any action by or on behalf of the Warrantholder, if the Cash Amount is a positive amount (the "**Automatic Exercise**"). In this case, the last day of the Exercise Period shall be the Exercise Date.

5. Settlement

a) The Issuer shall pay or cause to be paid not later than on the fifth Payment Business Day following the Valuation Date (the "**Settlement Date**") the Cash Amount to the account indicated by the Warrantholder, subject to compliance by the Warrantholder with the exercise procedure as described above.

b) Exercise of the Warrants and payments by the Issuer will be subject in all cases to any applicable fiscal or other laws, regulations and practices in force in Spain and in Germany at the relevant time. However, the Issuer shall not incur any liability whatsoever in the future if it is unable to pay the Cash Amount, after using reasonable effort, as a result of such laws, regulations and practices. The Issuer shall not under any circumstances be liable for any acts or default of any clearing system in the performance of its duties in relation to the Warrants.

c) In the case of Automatic Exercise, the Issuer will pay or cause to be paid the Cash Amount due in respect of all Warrants outstanding on the relevant Settlement Date to the Clearing System for crediting the accounts of the Warrantholders.

d) All taxes, duties or other charges in connection with the exercise of the Warrants are to be borne and paid by the Warrantholders. Any additional cost arising from the exercise of the Warrants shall not be borne by the Issuer.

paragraphs 2. and 3. are applicable for standard warrants with European exercise

2. The Option Right shall be deemed to be automatically exercised on the Exercise Date, provided that the Cash Amount is a positive amount at that time.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

[*insert other provisions regarding the exercise and the exercise procedure***]**

Alternative:	*Power Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

   The "**Cash Amount**" shall be equal to the amount expressed in **[**EUR**][***currency***]**, multiplied with the Ratio and squared by which the Reference Price on the Valuation Date exceeds the Strike (in the case of Call Warrants) or is exceeded by the Strike (in the case of Put Warrants).

   [*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**EUR**][***currency***]** 1.00.**]**

   [*if the Underlying is a Bond*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one per cent of the Reference Price shall be equal to **[**EUR**][***currency***]**1.00.**]**

   The Cash Amount, however, will not exceed **[[**EUR**][***currency***] ●] [**the

Maximum Amount.**]**.

[*insert additional or other definitions of the Cash Amount***]**

This paragraph 1 is applicable if a conversion of the Cash Amount is necessary or for Power Warrants relating to Currency Exchange Rates

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

The "**Cash Amount**" shall be equal to the amount expressed in **[**USD**][***currency***],** multiplied with the Ratio, converted into **[**EUR**][***currency***]** and squared by which the Reference Price on the Valuation Date exceeds the Strike (in the case of Call Warrants) or is exceeded by the Strike (in the case of Put Warrants).

[*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**USD**][***currency***]** 1.00.**]**

[*if the Underlying is a Bond*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one per cent of the Reference Price shall be equal to **[**USD**][***currency***]** 1.00.**]**

The Cash Amount, however, will not exceed **[[**EUR**][***currency***] ●] [**the Maximum Amount.**]**.

The conversion shall be made at the Relevant Conversion Rate.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Exercise Date, provided that the Cash Amount is a positive amount at that time.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Bonus Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

Subject to the following paragraph, the "**Cash Amount**" shall be equal to the product of (i) the Reference Price on the Valuation Date and (ii) the Ratio.

The Cash Amount will be equal to the "**Fixed Amount**" if

a) at any time during the Reference Period **[***Share:***][**a price of the Share as determined and published by the Exchange**][***Index:***][**a level of the Index as determined and published by the Index Sponsor**][***Precious Metal:***] [**a price of the Precious Metal determined as actually traded price on the International Spot Market**] [***Futures*

*Contract:***][**a price of the Relevant Futures Contract as determined and published by the Futures Exchange**][***Currency Exchange Rate:*]**[**a **[**EUR/●**][[**USD/JPY**]**-price as actually traded price on the International Spot Market**]** has never been equal to or below the Barrier

and

b) the Reference Price on the Valuation Date is equal to or below the Bonus Barrier.

"**Fixed Amount**" shall be an amount set out in paragraph 2.

"**Barrier**" shall be the price set out in paragraph 2.

"**Bonus Barrier**" shall be the price set out in paragraph 2.

[*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**EUR**][***currency***]** 1.00.**]**

[*Capped*:**][**The Cash Amount, however, will not exceed the Maximum Amount, if the Reference Price on the Valuation Date exceeds the Cap.

"Cap" shall be the price set out in paragraph 2.]

[*insert additional or other definitions of the Cash Amount***]**

This paragraph 1 is applicable if a conversion of the Cash Amount is necessary

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

Subject to the following paragraph, the "**Cash Amount**" shall be equal to the product of (i) the Reference Price on the Valuation Date and (ii) the Ratio, the result being converted into EUR**][***currency***]**..

The Cash Amount will be equal to the "**Fixed Amount**" if

a) at any time during the Reference Period **[***Share:***][**a price of the Share as determined and published by the Exchange**][***Index:***][**a level of the Index as determined and published by the Index Sponsor**][***Precious Metal:***]** **[**a price of the Precious Metal determined as actually traded price on the International Spot Market**]** **[***Futures Contract:***][**a price of the Relevant Futures Contract as determined and published by the Futures Exchange**][***Currency Exchange Rate:*]**[**a **[**EUR/●**][[**USD/JPY**]**-price as actually traded price on the International Spot Market**]** has never been equal to or below the Barrier

and

b) the Reference Price on the Valuation Date is equal to or below the Bonus Barrier.

"**Fixed Amount**" shall be an amount set out in paragraph 2 .

"**Barrier**" shall be the price set out in paragraph 2.

"**Bonus Barrier**" shall be the price set out in paragraph 2.

[*if the Underlying is an Index*:**][**For the purposes of calculations made in connection with these Terms and Conditions, one point of the Index level shall be equal to **[**EUR**][***currency***]** 1.00.**]**

[*Capped*:**][**The Cash Amount, however, will not exceed the Maximum Amount, if the Reference Price on the Valuation Date exceeds the Cap.

"Cap" shall be the price set out in paragraph 2.**]**

The conversion shall be made at the Relevant Conversion Rate.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Exercise Date, provided that the Cash Amount is a positive amount at that time.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later on the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Bottom-up/Top-down Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   The "**Cash Amount**" shall be equal to an amount of **[**EUR**][***currency***]** ● for each Valuation Date during the Reference Period on which the Reference Price of the Underlying is equal to or **[***Bottom-up*:**][**above the Lower Barrier**][***Top-down*:**][**below the Upper Barrier**]**.

   [*Bottom-up*:**][**"**Lower Barrier**" shall be the price set out in § 2 paragraph 2.**]**
   [Top-down:**][**"**Upper Barrier**" shall be the price set out in § 2 paragraph 2.**]**

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Expiration Date, provided that the Reference Price of the Underlying is at least on one Valuation Date equal to or **[***Bottom-up*:**][**above the Lower Barrier**][***Top-down*:**][**below the Upper Barrier**]**.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later on the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Expiration Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Corridor Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   The "**Cash Amount**" shall be equal to an amount of **[**EUR**][***currency***]** ● for each Valuation Date during the Reference Period on which the Reference Price of the Underlying is inside the Corridor.

   The "**Corridor**" is defined by a Lower Barrier and an Upper Barrier (both inclusive). The "**Lower Barrier**" and the "**Upper Barrier**" shall be the prices set out in § 2 paragraph 2.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Expiration Date, provided that the Reference Price of the Underlying is at least on one Valuation Date inside the Corridor.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Expiration Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Hit Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   The "**Cash Amount**" is equal to **[**EUR**][***currency***]** • and will be paid by Issuer only, if at any time during the Reference Period **[***Share:***][**any price of the Share as determined and published by the Exchange**][***Index:***][**any level of the Index as determined and published by the Index Sponsor**][***Precious Metal:***] [**any price of the Precious Metal determined as actually traded price on the International Spot Market**] [***Futures Contract:***][**any price of the Relevant Futures Contract as determined and published by the Futures Exchange**][***Currency Exchange Rate:***][**any **[[**EUR/●**][**USD/JPY**]**-price as actually traded price on the International Spot Market**]** is at least once equal to or above the Hit Barrier (in case of Call Warrants) or equal to or below the Hit Barrier (in case of Put Warrants).

   "Hit Barrier" shall be the price set out in § 2 paragraph 2.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on such day on which the afore-mentioned conditions for the payment of the Cash Amount are fulfilled (the "**Exercise Date**"). If such conditions are not fulfilled until the end of the Reference Period the Warrant shall expire worthless.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Exercise Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Inline Warrants*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   The "**Cash Amount**" shall be equal to **[**EUR**][***currency***]** • subject to the non-occurrence of a Knock-Out-Event during the Reference Period.

   If a Knock-Out-Event occurs, **[**the Cash Amount will be equal to 1/10 eurocent per Warrant**][**the Warrants will expire worthless**][***insert other provision***]**.

   A "**Knock-Out-Event**" occurs, if at any time during the Reference Period **[***Share:***][**any price of the Share as determined and published by the Exchange**][***Index:***][**any level of the Index as determined and published by the Index Sponsor**][***Precious Metal:***] [**any price of the Precious Metal determined as actually traded price on the International Spot Market**] [***Futures Contract:***][**any price of the Relevant Futures Contract as determined and published by the Futures Exchange**][***Currency Exchange Rate:***][**any **[**EUR/●**][[**USD/JPY**]-**price as actually traded price on the International Spot Market**]** is at least once equal to or below the Lower Barrier or equal to or above the Upper Barrier of the defined Range.

   The **"Range"** is defined by a Lower Barrier and an Upper Barrier (both inclusive). The **"Lower Barrier**" and the **"Upper Barrier**" shall be the prices set out in § 2 paragraph 2.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Expiration Date, provided that a Knock-Out-Event has not occurred during the Reference Period.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Expiration Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

   [In the case of a Knock-Out-Event, the Issuer shall pay the Cash Amount not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the day on which the Knock-Out-Event has occurred to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.**]**

Alternative:	*Down&Out Warrants*

European exercise

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount (rounded, if necessary, to the next **[**eurocent (EUR 0.01)**][***currency***]** with **[**EUR**][***currency***]** 0.005 rounded upwards) in accordance with these Terms and Conditions.

   Subject to the non-occurrence of a Knock-Out-Event, the "**Cash Amount**" shall be equal to the amount expressed in **[**EUR**][***currency***]** **[**and converted into EUR**]** and multiplied with the Ratio by which the Reference Price on the Valuation Date is exceeded by the Strike.

If a Knock-Out-Event occurs, **[**the Cash Amount will be equal to 1/10 eurocent per Warrant**][**the Warrants will expire worthless**][***insert other provision***]**.

A "**Knock-Out-Event**" occurs, if at any time during the Reference Period **[***Share:***][**any price of the Share as determined and published by the Exchange**][***Index:***][**any level of the Index as determined and published by the Index Sponsor**][***Precious Metal:***] [**any price of the Precious Metal determined as actually traded price on the International Spot Market**] [***Futures Contract:***][**any price of the Relevant Futures Contract as determined and published by the Futures Exchange**][***Currency Exchange Rate:***][**any **[[**EUR/●**][[**USD/JPY**]**-price as actually traded price on the International Spot Market**]** is at least once equal to or below the Barrier.

The **"Barrier**" shall be the price set out in § 2 paragraph 2.

[*insert additional or other definitions of the Cash Amount***]**

2. The Option Right shall be deemed to be exercised on the Expiration Date, provided that the Cash Amount is a positive amount at that time and provided that a Knock-Out-Event has not occurred during the Reference Period.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than the **[**third**][**fifth**][**tenth**][●]** Payment Business Day following the Valuation Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

Alternative:	*Structured Warrants with Knock-out*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   Subject to the non-occurrence of a Knock-out Event, the "**Cash Amount**" shall be determined in accordance with the following provisions:

   a) If on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the Strike Price, then the Cash Amount shall be **[**EUR**][***currency***] [**1,000**] [•]**; or

   b) In all other cases, the Cash Amount shall be **[**EUR**][***currency***] [**950**] [•]**.

   If a Knock-out-Event has occured, the Warrants will expire worthless as of the Observation Date on which a Knock-out Event has occurred.

   A "**Knock-out-Event**" shall be deemed to have occured on an Observation Date if on such Observation Date the Reference Price of at least one of the Underlyings is equal to or above 100% of the respective Strike Price.

2. The Option Right shall be deemed to be exercised on the Exercise Date, provided that the Cash Amount is a positive amount at that time and that a Knock-out Event has not occurred.

3. The Issuer shall pay the Cash Amount to the Warrantholders not later than on the Settlement Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

[*insert additional warrant structures***]**

Alternative:	*Structured Warrants with Knock-in*

1. The Warrants grant to the Warrantholder the right (the "**Option Right**"), to receive from the Issuer the payment of the Cash Amount in accordance with these Terms and Conditions.

   Subject to the non-occurrence of a Knock-in Event (§ 3 paragraph 2), the "**Cash Amount**" shall be determined in accordance with the following provisions:

   a) If on the Exercise Date the Reference Price of each Underlying is equal to or above 100% of the Strike Price, then the Cash Amount shall be **[**EUR**][***currency***]** **[**650**]** **[•]**; or

   b) In all other cases, the Warrants will expire worthless.

2. A "**Knock-in-Event**" shall be deemed to have occured on an Observation Date if on such Observation Date the Reference Price of each of the Underlyings is above 100% of the respective Strike Price.

   If a Knock-in-Event has occured, the Warrants will be redeemed on the applicable Knock-in Settlement Date at the applicable Knock-in Redemption Amount, all as specified in the following table:

Observation Date	Applicable Knock-in Settlement Date	Applicable Knock-in Redemption Amount
[•]	**[•]**	**[**EUR**][***currency***]** **[**1,000**][•]** **+** **[**EUR**][***currency***]** **[**10**]** **[•]**
[•]	**[•]**	**[**EUR**][***currency***]** **[**1,000**][•]** **+** **[**EUR**][***currency***]** **[**20**]** **[•]**
[•]	**[•]**	**[**EUR**][***currency***]** **[**1,000**][•]** **+** **[**EUR**][***currency***]** **[**30**]** **[•]**
[•]	**[•]**	**[•]**
[•]	**[•]**	**[•]**

3. Subject to the non-occurrence of a Knock-in Event, the Option Right shall be deemed to be automatically exercised on the Exercise Date.

4. The Issuer shall pay the Cash Amount to the Warrantholders not later than on the Settlement Date to the Clearing System for crediting the accounts of the depositors of the Warrants with the Clearing System.

§ 4
ADJUSTMENTS [;TERMINATION RIGHT OF THE ISSUER]

Alternative:	*Warrants with reference to a share*

1. If an Adjustment Event or an Extraordinary Event (both as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If an Extraordinary Event has occurred, the Issuer may (instead of an adjustment) terminate the Warrants prematurely on the termination date (the "**Termination Date**") with a prior notice of seven Payment Business Days in accordance with § 9, provided that an adjustment is not possible or is unreasonable (*unzumutbar*) for the Issuer. Any termination of the Warrants in part shall be excluded. In any case, the Issuer is neither obliged to make adjustments to the Terms and Conditions nor to terminate the Warrants.

   a) When making adjustments to the Terms and Conditions, the Issuer shall act in its reasonable discretion (§ 315 German Civil Code (*BGB*)) and is entitled, but not obligated, to take into consideration the adjustments to option or futures contracts relating to the Share made by the Futures Exchange or that would have been made by the Futures Exchange if such option or futures contracts were traded on the Futures Exchange. In the event of any doubts regarding the application of the adjustment rules of the Futures Exchange, the Issuer shall decide in its reasonable discretion (§ 315 German Civil Code (*BGB*)).

      Any of the before-mentioned adjustments may, among others, relate to **[***insert parameters***]** and may result in the Share being replaced by another share or other securities, a basket of securities and/or cash, and another stock exchange being determined as the Relevant Exchange. If the Share is replaced by a basket of shares following an adjustment by the Futures Exchange, the Issuer shall be entitled to determine only the share with the highest market capitalisation on the relevant cut-off date as the (new) Underlying, to sell the remaining shares in the basket on the first Exchange Business Day following the cut-off date at the first available price and to reinvest the proceeds immediately afterwards in the remaining share. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

      Adjustments and determinations take effect as from the date determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)), provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Futures Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect at the Futures Exchange if such option or futures contracts were traded at the Futures Exchange.

      Adjustments and determinations as well as the effective date shall be notified by the Issuer in accordance with § 9.

   b) If the Warrants are called for redemption due to the occurrence of an Extraordinary Event, they shall be redeemed at the termination amount per Warrant (the "**Termination Amount**") which shall be calculated by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items.. The rights arising from the Warrants will terminate upon the payment of the Termination Amount.

2. "**Adjustment Event**" means:

a) any of the following actions taken by the issuer of the underlying Share (the "**Company**"): capital increases through issuance of new shares against capital contribution and issuance of subscription rights to the shareholders, capital increases out of the Company's reserves, issuance of securities with option or conversion rights related to the Share, distributions of ordinary dividends, distributions of extraordinary dividends, stock splits or any other split, consolidation or alteration of category;

b) a spin-off of a part of the Company in such a way that a new independent entity is formed, or that the spun-off part of the Company is absorbed by another entity;

c) the adjustment of option or futures contracts relating to the Share at the Futures Exchange or the announcement of such adjustment; or

d) any other adjustment event being economically comparable to the before-mentioned events with regard to their effects.

3. "**Extraordinary Event**" means:

a) a takeover-bid, i.e. an offer to take over or to swap or any other offer or any other act of an individual person or a legal entity that results in the individual person or legal entity buying, otherwise acquiring or obtaining a right to buy more than 10% of the outstanding shares of the Company as a consequence of a conversion or otherwise, as determined by the Issuer based on notifications to the competent authorities or on other information determined as relevant by the Issuer;

b) the termination of trading in, or early settlement of, option or futures contracts relating to the Share at the Futures Exchange or the announcement of such termination or early settlement;

c) the becoming known of the intention of the Company or of the Relevant Exchange to terminate the listing of the Share on the Relevant Exchange due to a merger by absorption or by creation, a change of legal form into a company without shares or any other reason or the termination of the listing of the Share at the Relevant Exchange or the announcement of the Relevant

Exchange that the listing of the Share at the Relevant Exchange will terminate immediately or at a later date and that the Share will not be admitted, traded or listed at any other exchange which is comparable to the Relevant Exchange (including the exchange segment, if applicable) immediately following the termination of the listing;

d) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act (*AktG*)) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Warrants or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

e) a procedure is introduced or ongoing pursuant to which all shares or the substantial assets of the Company are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;

f) the application for insolvency proceedings or for comparable proceedings with regard to the assets of the Company according to the applicable law of the Company; or

g) any other event being economically comparable to the before-mentioned events with regard to their effects.

4. "**Futures Exchange**" means the options or futures exchange with the highest trading volume of option or futures contracts relating to the Share. If option or futures contracts on the Share are not traded on any exchange, the Futures Exchange shall be the options or futures exchange with the highest amount of option or futures contracts relating to shares of companies having their residence in the country in which the Company has its residence. If there is no options or futures exchange in the country in which the Company has its residence on which option or futures contracts on shares are traded, the Issuer will determine the Futures Exchange in its reasonable discretion (§ 315 German Civil Code *(BGB)*) and will make notification thereof in accordance with § 9.

[*insert additional or other provisions with respect to adjustments***]**

Alternative:	*Warrants with reference to an index*

1. If the Index is no longer calculated and published by the Index Sponsor but by another person, company or institution acceptable to the Issuer as the new Sponsor (the "**Successor Sponsor**"), the Cash Amount will be determined on the basis of the Index being calculated and published by the Successor Sponsor and any reference made to the Index Sponsor in these Terms and Conditions shall, if the context so admits, then refer to the Successor Sponsor.

2. If at any time the Index is cancelled or replaced, the Issuer will determine in its reasonable discretion (§ 315 German Civil Code

(*BGB*)) another index on the basis of which the Cash Amount will be determined (the "**Successor Index**"). The respective Successor Index as well as the time of its first application will be notified pursuant to § 9. Any reference made to the Index in these Terms and Conditions shall, if the context so admits then refers to the Successor Index. All related definitions shall be deemed to be amended accordingly. Furthermore, the Issuer will make all necessary adjustments to the Terms and Conditions resulting from a substitution of the Index.

This paragraph 3 is applicable only for share indices

[3. In the case that the occurrence of an Adjustment Event with respect to a share contained in the Index (the "**Index Share**") has a material effect on the price of the Index, the Issuer shall be entitled to make adjustments to, inter alia, **[***insert parameters***]** in its reasonable discretion (§ 315 German Civil Code (*BGB*)) and give notification pursuant to § 9. Such adjustment shall become effective on the date on which the occurrence of the Adjustment Event with respect to the Index Share has its effect on the price of the Index.

"**Adjustment Event**" means:

a) the substitution of the Index by a Successor Index pursuant to paragraph 2;

b) any of the following actions taken by the company issuing the Index Share (the "**Index Company**"): capital increases through issuance of new shares against capital contribution and issuance of subscription rights to the shareholders, capital increases out of the Index Company's reserves, issuance of securities with option or conversion rights related to the Index Share, distributions of ordinary dividends, distributions of extraordinary dividends, stock splits or any other split, consolidation or alteration of category;

c) a spin-off of a part of the Index Company in such a way that a new independent entity is formed, or that the spun-off part of the Index Company is absorbed by another entity;

d) the adjustment of option or futures contracts relating to the Index Share on the Futures Exchange or the announcement of such adjustment;

e) a takeover-bid, i.e. an offer to take over or to swap or any other offer or any other act of an individual person or a legal entity that results in the individual person or legal entity buying, otherwise acquiring or obtaining a right to buy more than 10% of the outstanding shares of the Index Company as a consequence of a conversion or otherwise, as determined by the Issuer based on notifications to the competent authorities or on other information determined as relevant by the Issuer;

f) the termination of trading in, or early settlement of, option or futures contracts relating to the Index Share on the Futures Exchange or relating to the Index itself or the announcement of such termination or early settlement;

g) the becoming known of the intention of the Index Company or of the exchange on which the respective Index Share are traded (provided that the quotations of the prices of the Index Share on such exchange are taken for the calculation of the

Index) (the "**Relevant Exchange**") to terminate the listing of the Index Share on the Relevant Exchange due to a merger by absorption or by creation, a change of legal form into a company without shares or any other reason or the termination of the listing of the Index Share at the Relevant Exchange or the announcement of the Relevant Exchange that the listing of the Index Share at the Relevant Exchange will terminate immediately or at a later date and that the Index Share will not be admitted, traded or listed at any other exchange which is comparable to the Relevant Exchange (including the exchange segment, if applicable) immediately following the termination of the listing;

h) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act (*AktG*)) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Warrants or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

i) a procedure is introduced or ongoing pursuant to which all shares or the substantial assets of the Index Company are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;

j) the application for insolvency proceedings or for comparable proceedings with regard to the assets of a Index Company according to the applicable law of such company; or

k) any other event being economically comparable to the afore-mentioned events with regard to their effects.

"**Futures Exchange**" refers to the exchange with the largest trading volume in futures and options contracts in relation to a share comprised in the Index. If no futures or options contracts in relation to the Index Share are traded on any exchange, the Futures Exchange shall be the exchange with the largest trading volume in futures and options contracts in relation to shares of companies whose registered office is in the same country as the registered office of the company having issued the Index Share. If there is no futures and options exchange in the country in which the company having issued the Index Share has its registered office on which futures and options contracts in relation to the Index Share are traded, the Issuer shall determine the Futures Exchange in its reasonable discretion (§ 315 German Civil Code (*BGB*)) and shall make notification thereof in accordance with § 9.**]**

[3**][**4**].** If (i) the determination of a Successor Index in accordance with the paragraph 2 is not possible or is unreasonable (*unzumutbar*) for the Issuer or (ii) if the Index Sponsor materially modifies the calculation method of an Index with effect on or after the issue date, or materially modifies the Index in any other way (except for modifications which are contemplated in the calculation method of the Index relating to a change with respect to shares comprising the Index, the market capitalisation or with respect to any other routine measures), then the Issuer is entitled to (a) continue the calculation of the Index on the basis of the former concept of the Index and its last determined level or (b) to terminate the Warrants prematurely on the termination date (the "**Termination Date**") with a prior notice of seven Payment Business Days in accordance with § 9. Any termination of the Warrants in part shall be excluded.

[4**][**5**]**. In the case of a termination of the Warrants pursuant to paragraph **[**3**][**4**]** the Warrants shall be redeemed on the Termination Date at the termination amount (the "**Termination Amount**") which shall be calculated by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. The rights arising from the Warrants will terminate upon the payment of the Termination Amount.

[*insert additional or other provisions with respect to adjustments***]**

Alternative:	*Warrants with reference to precious metals*

1. If an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If an Extraordinary Event has occurred, the Issuer may (instead of an adjustment) terminate the Warrants prematurely on the termination date (the "**Termination Date**") with a prior notice of seven Payment Business Days in accordance with § 9, provided that an adjustment is not possible or is unreasonable (*unzumutbar*) for the Issuer. Any termination of the Warrants in part shall be excluded. In any case, the Issuer is neither obliged to make adjustments to the Terms and Conditions nor to terminate the Warrants.

   a) When making adjustments to the Terms and Conditions, the Issuer shall act in its reasonable discretion (§ 315 German Civil Code (*BGB*)) and is entitled, but not obligated, to take into consideration the adjustments to option or futures contracts relating to the Precious Metal made by the Futures Exchange or that would have been made by the Futures Exchange if such option or futures contracts were traded on the Futures Exchange. Any of the before-mentioned adjustments may relate to, inter alia, **[***insert parameters***]** **[**and may result in the adjustment of the definition of the Reference Price**]**. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

   Adjustments and determinations take effect as from the date determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)), provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Futures Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect at the Futures Exchange if such option or futures contracts were traded at the Futures Exchange.

Adjustments and determinations as well as the effective date shall be notified by the Issuer in accordance with § 9.

b) If the Warrants are called for redemption due to the occurrence of an Extraordinary Event, they shall be redeemed at the termination amount per Warrant (the "**Termination Amount**") which shall be calculated by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. The rights arising from the Warrants will terminate upon the payment of the Termination Amount.

2. "**Extraordinary Event**" means:

a) if since the issue date the basis (e.g. quantity, quality or currency) for the calculation of the price of the Precious Metal and/or the method have been modified substantially,

b) the adjustment of option or futures contracts relating to the Precious Metal at the Futures Exchange or the announcement of such adjustment;

c) the imposition of, change in or removal of a tax on, or measured by reference to, a Precious Metal after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the price of the Precious Metal;

d) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act (*AktG*)) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Warrants or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments; or

e) any other event being economically comparable to the before-mentioned events with regard to their effects.

3. "**Futures Exchange**" means the options or futures exchange with the highest trading volume of option or futures contracts relating to the Precious Metal.

[*insert additional or other provisions with respect to adjustments***]**

Alternative:	*Warrants with reference to futures contracts*

1. If an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If an Extraordinary Event has occurred, the Issuer may (instead of an adjustment) terminate the Warrants prematurely on the termination date (the "**Termination Date**") with a prior notice of seven Payment Business Days in accordance with § 9, provided that an adjustment is not possible or is unreasonable (*unzumutbar*) for the Issuer. Any termination of the Warrants in part shall be excluded. In any case, the Issuer is neither obliged to make adjustments to the Terms and Conditions of the Warrants nor to terminate the Warrants.

   a) When making adjustments to the Terms and Conditions, the Issuer shall act in its reasonable discretion (§ 315 German Civil Code (*BGB*)) and is entitled, but not obligated, to take into consideration the manner in which adjustments are or would be made by the Futures Exchange. Any of the before-mentioned adjustments may relate to, inter alia, **[***insert parameters***]** and may result in the Relevant Futures Contract being replaced by other futures contracts, a basket of futures contracts and/or cash, and another exchange being determined as the Futures Exchange. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

      Adjustments and determinations take effect as from the date determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)), provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Futures Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect at the Futures Exchange if such option or futures contracts were traded at the Futures Exchange.

      Adjustments and determinations as well as the effective date shall be notified by the Issuer in accordance with § 9.

   b) If the Warrants are called for redemption due to the occurrence of an Extraordinary Event, they shall be redeemed at the termination amount per Warrant (the "**Termination Amount**") which shall be calculated by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)) by taking into account prevailing market conditions and any proceeds realised by the Issuer in connection with transactions concluded by it in its reasonable discretion (§ 315 German Civil Code (*BGB*)) for hedging measures in relation to the assumption and fulfilment of its obligations under the Warrants (the "**Hedging Transactions**"). When determining the Termination Amount, the Issuer may take into account expenses for transactions that were required for winding up the Hedging Transactions in the Issuer's reasonable discretion (§ 315 German Civil Code (*BGB*)) as deductible items. The rights arising from the Warrants will terminate upon the payment of the Termination Amount.

2. "**Extraordinary Event**" means

   a) an adjustment of the Relevant Futures Contract on the Futures Exchange and/or the announcement of such an adjustment;

b) the suspension of trading or the early settlement of the Relevant Futures Contract on the Futures Exchange and/or the announcement of such an event;

c) a material change regarding the concept of the Relevant Futures Contract or regarding the Contract Specifications on which the Relevant Futures Contract is based;

d) the introduction, revocation or amendment of a tax levied on the commodity underlying the Relevant Futures Contract, provided that this affects the price of the Relevant Futures Contract and provided that such introduction, revocation or amendment occurs after the issue date;

e) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act (*AktG*)) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Warrants or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments; or

f) any other event being economically comparable to the before-mentioned events with regard to their effects.

[*insert additional or other provisions with respect to adjustments***]**

Alternative:	*Warrants with reference to bonds*

1. If an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If an Extraordinary Event has occurred, the Issuer may (instead of an adjustment) terminate the Warrants prematurely on the termination date (the "**Termination Date**") with a prior notice of seven Payment Business Days in accordance with § 9, provided that an adjustment is not possible or is unreasonable (*unzumutbar*) for the Issuer. Any termination of the Warrants in part shall be excluded. In any case, the Issuer is neither obliged to make adjustments to the Terms and Conditions nor to terminate the Warrants.

   a) Any adjustments of the Terms and Conditions shall be performed by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)). Any of the aforesaid adjustments may relate to, inter alia, **[***insert parameters***]** and may also and in particular result in the Bond being replaced by another bond, security, basket of securities and/or a cash amount or in another stock exchange being nominated as the Relevant Exchange. The Issuer shall be entitled to perform other adjustments by taking into account the afore-mentioned principles.

   Adjustments and determinations take effect as from the date determined by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)).

Any adjustments and determinations as well as the relevant effective date shall be notified by the Issuer in accordance with § 9.

b) If the Warrants are called for redemption due to the occurrence of an Extraordinary Event, they shall be redeemed at the termination amount per Warrant (the "**Termination Amount**") which shall be calculated by the Issuer in its reasonable discretion (§ 315 German Civil Code (*BGB*)). Such Termination Amount shall be notified in accordance with § 9. The rights arising from the Warrants will terminate upon the payment of the Termination Amount.

2. "**Extraordinary Event**" means

a) if the Bond ceases to be listed on the Relevant Exchange or if the Relevant Exchange announces or it becomes known that it is the Issuer's intention that the Bond's listing is to be suspended immediately or with effect as of a later point in time and the Bond is not re-admitted to trading or listed on another exchange of equal standing to that of the Relevant Exchange (including the relevant exchange segment, if applicable) soon after such suspension or delisting;

b) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act (*AktG*)) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Warrants or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

c) if an insolvency petition or similar petition under the laws applicable to the issuer of the Bond is filed with respect to the assets of the issuer of the Bond; or

d) any other event being economically comparable to the before-mentioned events with regard to their effects.

[*insert additional or other provisions with respect to adjustments***]**

Alternative:	*Warrants with reference to other Underlyings*

[intentionally left blank**][***insert provisions with respect to adjustments***]**

§ 5
TAXES

All present and future taxes, fees or other duties in connection with the Warrants shall be borne and paid by the Warrantholders. The Issuer is entitled to withhold from payments to be made under the Warrants any taxes, fees and/or duties payable by the Warrantholder in accordance with the previous sentence.

§ 6
STATUS

The obligations under the Warrants constitute direct, unconditional and unsecured obligations of the Issuer and rank at least pari passu with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

§ 7
WARRANT AGENT

1. **[**Commerzbank Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany**][●]**, shall be the Warrant Agent (the "**Warrant Agent**").

This paragraph 1 is applicable for Warrants being issued through Euroclear Belgium

1. BNP Paribas Securities Services S.A., Brussels Branch, a banking institution incorporated under the laws of France, with a registered branch at Avenue Louise 489, B-1050 Brussels, Belgium shall be the warrant agent (the "**Warrant Agent**").

This paragraph 1. is applicable for Warrants being issued through Euroclear France

1. BNP Paribas Securities Services, Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin, France, shall be the warrant agent (the "**Warrant Agent**").

This paragraph 1 is applicable for Warrants being issued through Euroclear Nederland

1. BNP Paribas Securities Services S.A, a banking institution incorporated under the laws of France, whose corporate seat and registered office is at 66 Rue de la Victoire, 75009 Paris, France shall be the warrant agent (the "**Warrant Agent**") which term shall include any successor or additional warrant agent) and BNP Paribas S.A., Amsterdam Branch, 'Gouden bocht' building, Herengracht 469, 1017 BS Amsterdam, The Netherlands, as sub warrant agent for the Warrant Agent.

This paragraph 1 is applicable for Warrants being issued through Euroclear Finland

1. Nordea Bank Finland Plc, a credit institution and account operator, incorporated under the laws of Finland, whose corporate seat and registered office is at Aleksis Kiven katu 3-5, Helsinki, FI-00020 NORDEA, Finland, shall be the issuer agent as defined in the regulation of Euroclear Finland and warrant agent (the "**Warrant Agent**").

This paragraph 1. is applicable for Warrants being issued through the Norwegian CSD

1. Nordea Bank Norge ASA, Postboks 1166 Sentrum, 0107 Oslo, shall be the warrant agent (the "**Warrant Agent**").

This paragraph 1 is applicable for Warrants being issued through Euroclear Sweden

1. Skandinaviska Enskilda Banken AB (publ), a banking institution incorporated under the laws of Sweden, whose corporate seat and registered office is at Kungsträdgårdsgatan 8, SE-106 40 Stockholm, Sweden, acting through its division SEB Merchant Banking, Securities Services, shall be the warrant agent (the "**Warrant Agent**").

2. The Issuer shall be entitled at any time to appoint another bank of international standing as Warrant Agent. Such appointment and the effective date shall be notified in accordance with § 9.

3. The Warrant Agent is hereby granted exemption from the restrictions of § 181 of the German Civil Code (*BGB*) and any similar restrictions

of the applicable laws of any other country.

[*insert additional or other provisions with respect to the Warrant Agent*]

§ 8
SUBSTITUTION OF THE ISSUER

1. Any other company may assume at any time during the life of the Warrants, subject to paragraph 2, without the Warrantholders' consent all the obligations of the Issuer under these Terms and Conditions. Any such substitution and the effective date shall be notified by the Issuer in accordance with § 9.

   Upon any such substitution, such substitute company (hereinafter called the "**New Issuer**") shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under these Terms and Conditions with the same effect as if the New Issuer had been named as the Issuer herein; the Issuer (and, in the case of a repeated application of this § 8, each previous New Issuer) shall be released from its obligations hereunder and from its liability as obligor under the Warrants.

   In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the New Issuer.

2. No such assumption shall be permitted unless

   a) the New Issuer has agreed to assume all obligations of the Issuer under the Warrants pursuant to these Terms and Conditions;

   b) the New Issuer has agreed to indemnify and hold harmless each Warrantholder against any tax, duty, assessment or governmental charge imposed on such Warrantholder in respect of such substitution;

   c) the Issuer (in this capacity referred to as the "**Guarantor**") has unconditionally and irrevocably guaranteed to the Warrantholders compliance by the New Issuer with all obligations under the Warrants pursuant to these Terms and Conditions;

   d) the New Issuer and the Guarantor have obtained all governmental authorisations, approvals, consents and permissions necessary in the jurisdictions in which the Guarantor and/or the New Issuer are domiciled or the country under the laws of which they are organised.

3. Upon any substitution of the Issuer for a New Issuer, this § 8 shall apply again.

§ 9
NOTICES

Notices relating to the Warrants shall be published in the electronic version of the Federal Gazette (*Bundesanzeiger*) and shall be deemed to be effective upon such publication unless such publication gives another effective date.

If the Warrants are offered to the public, notices relating to the Warrants shall in addition be published on the internet page **[**www.warrants.commerzbank.com**][***Internet page***]** (or on another internet page notified at least six weeks in advance by the Issuer in accordance with this §). If applicable law or regulations of the stock exchange on which the Warrants are listed require a notification in another manner, notices shall also be given in the manner so required.

[*insert additional or other provisions with respect to notices***]**

§ 10
LIMITATION OF LIABILITY

The Issuer shall be held responsible for acting or failing to act in connection with the Warrants only if, and insofar as, it either breaches material obligations under or in connection with the Terms and Conditions of the Warrants negligently or wilfully or breaches other obligations with gross negligence or wilfully. The same applies to the Warrant Agent.

§ 11
FINAL CLAUSES

This paragraph 1 is applicable for Warrants being deposited with Clearstream Banking AG, Frankfurt am Main Euroclear, Belgium, Euroclear Nederland or IBERCLEAR

1. The Warrants and the rights and duties of the Warrantholders, the Issuer, the Warrant Agent and the Guarantor (if any) shall in all respects be governed by the laws of the Federal Republic of Germany.

This paragraph 1 is applicable for Warrants being issued through Euroclear Finland, Norwegian CSD and Euroclear Sweden

1. The Warrants and the rights and duties of the Warrantholders, the Issuer, the Warrant Agent and the Guarantor (if any) shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph 1 to 4 of the Terms and Conditions which shall be governed by the laws of **[**the Republic of Finland**][**the Kingdom of Norway**][**the Kingdom of Sweden**]**.

This paragraph 1 is applicable if Euroclear France is the Clearing System

1. The Warrants and the rights and duties of the Warrantholders, the Issuer, the Warrant Agent and the Guarantor (if any) shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph 1 to 3 of the Terms and Conditions which shall be governed by the laws of the French Republic.

2. In the event of manifest typing or calculation errors or similar manifest errors in the Terms and Conditions, the Issuer shall be entitled to declare rescission (*Anfechtung*) to the Warrantholders. The declaration of rescission shall be made without undue delay upon becoming aware of any such ground for rescission

(*Anfechtungsgrund*) and in accordance with § 9. Following a declaration of rescission by the Issuer, the Warrantholder is entitled to request repayment of the Issue Price by delivery of a duly completed redemption notice to the Warrant Agent on the form available at the Warrant Agent or by providing all information and statements requested therein (the "**Redemption Notice**") and by transfer of the Warrants to the account of the Warrant Agent with the Clearing System. The Issuer shall make available the Issue Price to the Warrant Agent within **[***number***]** calendar days following receipt of the Redemption Notice and of the Warrants by the Warrant Agent, whichever receipt is later, whereupon the Warrant Agent shall transfer the Issue Price to the account specified in the Redemption Notice. Upon payment of the Issue Price all rights under the Warrants delivered shall expire.

3. The Issuer may combine the declaration of rescission pursuant to paragraph 2 with an offer to continue the Warrants on the basis of corrected Terms and Conditions. Such an offer and the corrected provisions shall be notified to the Warrantholders together with the declaration of rescission in accordance with § 9. Any such offer shall be deemed to be accepted by a Warrantholder (and the rescission shall not take effect), unless the Warrantholder requests repayment of the Issue Price within four weeks following the date on which the offer has become effective in accordance with § 9 by delivery of a duly completed Redemption Notice to the Warrant Agent and by transfer of the Warrants to the account of the Warrant Agent with the Clearing System pursuant to paragraph 2. The Issuer shall refer to this effect in the notification.

4. "**Issue Price**" within the meaning of sections 2 and 3 shall be deemed to be the higher of (i) the purchase price that was actually paid by the relevant Securityholder (as declared and proved by evidence in the Repayment Request) and (ii) the weighted arithmetic average (as determined by the Issuer in its reasonable discretion (*billiges Ermessen, Section 315 of the German Civil Code*)) of the traded prices of the Warrants on the [Business Day] preceding the declaration of rescission pursuant to section 1. If a Market Disruption exists on the [Business Day] preceding the declaration of rescission pursuant to section 1, the last [Business Day] preceding the declaration of rescission pursuant to section 1on which no market disruption existed shall be decisive for the ascertainment of price pursuant to the preceding sentence.

5. Contradictory or incomplete provisions in the Terms and Conditions may be corrected or amended, as the case may be, by the Issuer in its reasonable discretion (*billiges Ermessen*) (§ 315 of the German Civil Code (*BGB*)). The Issuer, however, shall only be entitled to make such corrections or amendments which are reasonably acceptable to the Warrantholders having regard to the interests of the Issuer and in particular which do not materially adversely affect the legal or financial situation of the Warrantholders. Notice of any such correction or amendment shall be given to the Warrantholders in accordance with § 9.

6. If the Warrantholder was aware of typing or calculation errors or similar errors at the time of the acquisition of the Warrants, then, notwithstanding paragraphs 2 to 5, the Warrantholders can be bound by the Issuer to the corrected Terms and Conditions.

7. Should any provision of these Terms and Conditions be or become void in whole or in part, the other provisions shall remain in force. The void provision shall be replaced by a valid provision that reflects the economic intent of the void provision as closely as possible in legal terms. In those cases, however, the Issuer may also take the steps described in paragraphs 2 to 5 above.

8. Place of performance is Frankfurt am Main.

9. Place of jurisdiction for all disputes and other proceedings in connection with the Warrants for merchants, entities of public law, special funds under public law and entities without a place of general jurisdiction in the Federal Republic of Germany is Frankfurt am Main. In such a case, the place of jurisdiction in Frankfurt am Main shall be an exclusive place of jurisdiction.

Commerzbank Aktiengesellschaft

General Information

History and Development

COMMERZBANK Aktiengesellschaft (legal and commercial name) is a stock corporation under German law and was established as "Commerz- und Disconto-Bank in Hamburg" in 1870. The Bank owes its present form to the re-merger of the post-war successor institutions of 1952 on July 1, 1958. The Bank’s registered office is located in Frankfurt am Main and its head office is at Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0)69 136-20). The Bank is registered in the commercial register of the district court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000. The financial year of the Bank is the calendar year.

Business Overview

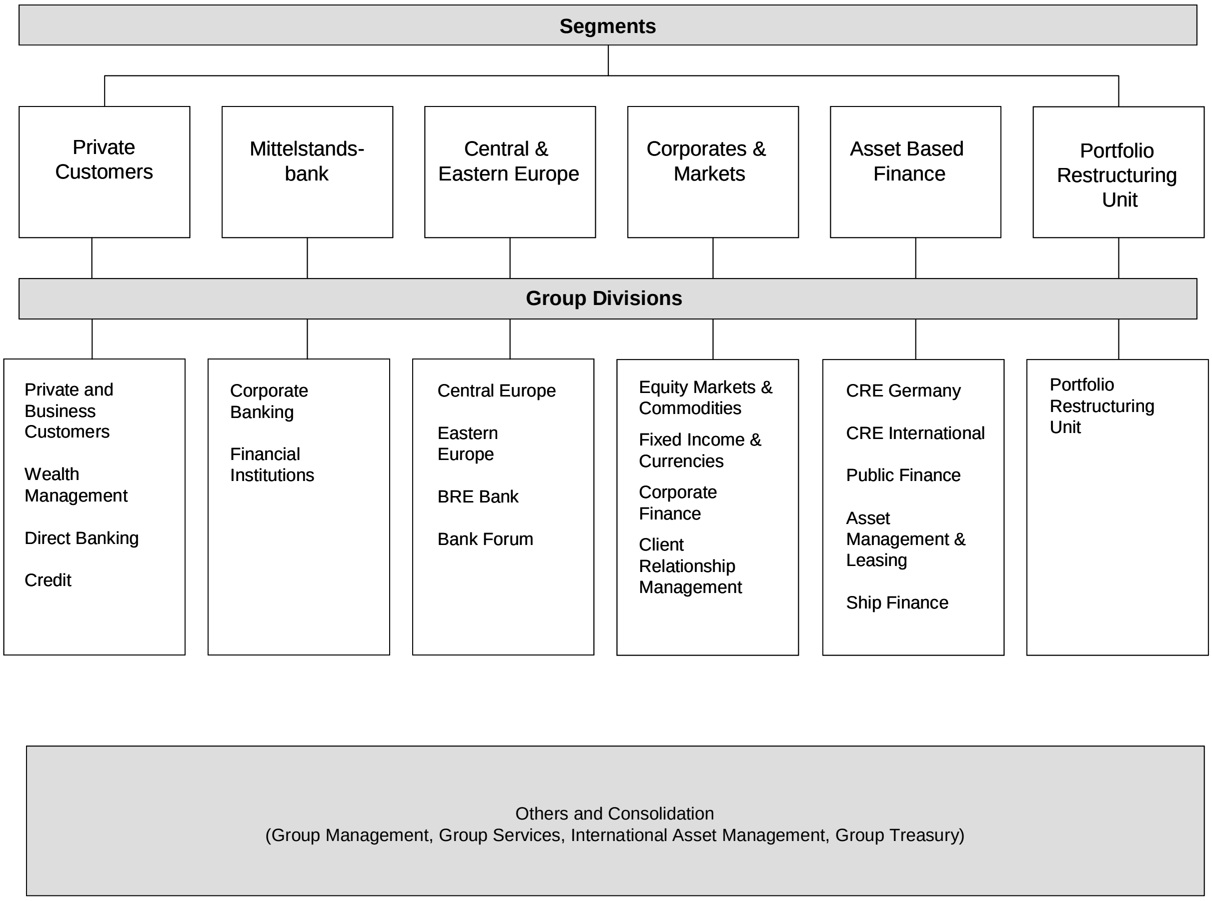
Principal Activities

Commerzbank is a universal bank. The focus of its activities is on the provision of a wide range of services to private and of products to private, medium-sized and institutional customers in Germany. This is for example the account management and payment transactions, loan, savings and money investment forms, securities services, capital markets and investment banking products and services and export finance. Through its subsidiaries and affiliates, the Group is also active in specialized areas such as ship financing and leasing. Furthermore, as part of its bankassurance strategy, the Group offers financial services in cooperation with partners, notable home loan, asset management and insurance business.

On January 12, 2009 Commerzbank has acquired all outstanding shares of Dresdner Bank by way of contribution in kind. The subsequent merger of Dresdner Bank to Commerzbank was registered in the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main on May 11, 2009.

Organisational Structure

Structure of the Commerzbank Group



Segments

Private Customers Segment

The Private Customers segment comprises the Group divisions Private and Business Customers, Wealth Management, Direct Banking and Credit.

Private and Business Customers

The Group division offers the Bank’s private and business customers resident in Germany a range of banking and financial services, in the areas investment and securities, real estate financings and loans, pensions, liquidity management and deposits as well as account and payment transactions. The products are largely standardized, and also cover, for example, through the offering of individual investment and financing solutions special wishes of the customer. Customers are defined as all individuals with whom there was a business relationship as of the relevant date that had not been terminated, irrespective of when the most recent transaction took place. Business customers are defined as distinct from Mittelstandsbank customers as businesses with an annual turnover of less than € 2.5 million.

Since the beginning of September 2010, Commerzbank provides its customers with products of Allianz SE, Allianz Global Investors Investment Company Ltd. ("AGI"), Commerz Finanz GmbH as well as Wüstenrot Bausparkasse. These are insurance, funds and home loan products and are complementary to Commerzbank's own products.

The Private and Business Customers Group division uses the Group's own branch network which was extended due to the integration of Dresdner Bank. A further distribution channel for the business area is its website at www.commerzbanking.de, where customers can carry out all their day-to-day banking transactions. There are also a number of distribution partnerships with external partners, in which mainly credit cards are distributed.

Wealth Management

The Wealth Management Group division serves high net worth customers with liquid assets over € 1 million and/or customers who require special solutions due to the complexity of their financial circumstances. The Wealth Management Group division is organizationally separate from the Group's activities in the Private and Business Customers Group division.

The Group division offers its clients specialized advice and a broad portfolio of products and services. The products on offer range from straightforward investment accounts through to the management of unusually complex asset structures. Clients are offered a wide range of services (including securities, property and credit management, asset management, family office solutions or inheritance and trust management) as well as innovative products tailored to their needs. Through increased cooperation with the Mittelstandsbank segment, Commerzbank is also able to offer individual services for entrepreneurs including both private and business asset issues.

In addition to a relationship manager who functions as the customer's long-term personal contact, specialists in securities, real estate and loans are also available to clients in the Bank's competence centers. In addition the business area has access to specialists based in the Group's head office who can advise customers on asset management, inheritance and trust management. The Wealth Management Group division is managed outside Germany through Commerzbank International S.A. in Luxembourg.

Direct Banking

comdirect bank AG ("comdirect bank") is the main constituent of the Direct Banking Group division. To this Group division belongs also the European Bank for Fund Services ("ebase") being one of the major fund service platforms in Germany and offers a wide range of products concerning the investment account. Commerz Direct Service GmbH belongs also to the Direct Banking Group division, providing call center services for the domestic branch network of the segment.

Comdirect bank is a direct bank with three areas of expertise brokerage, banking and consulting. Brokerage covers the self-determined investment, in which comdirect bank offers securities and fund information for investment decisions, and comprehensive trading functions. Banking includes all services related to the execution of daily money transactions. The consulting business area covers telephone and internet-based consulting services in the areas of construction financing and investment advice. Financial distributors, insurance companies, asset managers as well as investment fund management and investment companies find a full-service partner in the ebase with a priority for fund custody solutions. As a direct bank, comdirect bank primarily delivers its products and services via the internet.

Commerz Service GmbH offers to customers in this Group division a range of services like call center activities, telephone banking, the technical hotline as well as services for quality management of the Group division.

Credit

The Credit Group division offers private and business customers as well as wealth management customers credit products and other lending-related services. The business area primarily provides residential mortgage loans, as well as personal loans, instalment loans and overdrafts. The offer comprises approximately 30 credit products that can be combined on a modular basis and thus tailored to a customer's individual needs.

Credit products are distributed by the Private & Business Customers Group division and by the Wealth Management Group division through the national branch network. Furthermore, in the real estate financing currently being tested in a pilot project, is the use and development of alternative distribution channels in cooperation with comdirect bank. The sales process is supported through advanced computer-based consultation programs.

Mittelstandsbank Segment

The Mittelstandsbank segment includes the Corporate Banking and Financial Institutions Group divisions.

Corporate Banking

The Corporate Banking Group division consists of banking business with SMEs, large corporate customers - who do not fall within the Corporates & Markets segments - the public sector and institutional customers. In addition the business area comprises the Center of Competence for Renewable Energies. SMEs are divided into three core groups based on turnover and customer needs:

- *Small SMEs*: Companies registered in the Commercial Register with a turnover of between € 2.5 million and € 12.5 million,
- *Large SMEs*: Companies registered in the Commercial Register with a turnover of between € 12.5 million and € 250 million,
- *Large corporate customers*: Companies registered in the Commercial Register with turnover of between € 250 million and € 500 million that are active in the capital markets as well as companies with a turnover of over € 500 million.Public sector customers include municipalities, municipally-owned corporations and quasi-public-sector entities. The most important institutional customers are insurance companies, social security funds, pension funds, occupational pension schemes, churches, foundations and business federations.

The Group division supports its core customers in their international activities. It supports both German customers wanting to expand abroad as well as foreign customers doing business in Germany.

The Group division's product range comprises risk management, investment advice, lending, transaction management, assistance with foreign trade transactions and investment banking activities. In the area of risk management the Group division offers hedging transactions against commodity price or currency fluctuations. In terms of investment advice the product range includes money market, mutual and special funds as well as money and capital market products, such as fixed and variable deposits, shares, bonds, structured products and securities lending, as well as advice on occupational pensions and working time accounts. With regard to lending the Bank provides the funds required by the customer after an assessment of the customer's overall situation as well as their plans and requirements. In addition CommerzFactoring GmbH, a joint venture operated in conjunction with GE Commercial Finance Inc., offers a range of receivables financing services integrated in the banking business. Support services in the area of transaction management include the provision of appropriate cash levels and the updating of account information several times a day through to automatic cash management systems for companies with numerous branches which need to maintain accounts locally. To support foreign trade the Bank offers export customers processing services for their payments transactions with foreign countries and trade finance products combined with comprehensive advice. This assists customers in building up their market position and in accessing new markets. They are also offered support and assistance in evaluating new developments in foreign countries. The product portfolio is rounded off by a comprehensive range of investment banking advisory services.

The product range for public sector customers comprises a broad spectrum of financing services, ranging from loans to municipalities, corporate finance and revenue forfaiting through to project finance, as well as investments and derivatives, debt management and payments solutions.

The Group division's distribution model is based on its customers' needs. The client advisors specialize in the Group division's core customer segments. If required the client advisors can call on the assistance of additional product specialists from the Corporates & Marekts segment (so-called client service team).

Financial Institutions

The Financial Institutions Group division is responsible for the Group's relationships with German and foreign banks and central banks. The Group division offers these customers comprehensive advice and support, with a strategic focus on the processing of foreign trade. The Group division ensures the capabilities and expertise of the Group's worldwide foreign trade activities and supports other business areas in their international activities through a network of over 6,000 correspondent banks and business relationships with emerging markets.

The Group division works on the basis of a global advisory approach, where client advisors based centrally at Commerzbank's head office work with a worldwide network of representative offices as well as seven financial institution teams in foreign centers.

Central and Eastern Europe Segment

The Central and Eastern Europe segment comprises the operations of the subsidiaries and branches in the Central and Eastern European region. In addition to BRE Bank SA ("BRE Bank"), the segment also includes another universal bank, the Public Joint Stock Commercial Bank "Forum" ("Bank Forum"). Further cornerstones of the Group's Central and Eastern European business include Commerzbank (Eurasija) SAO in Russia, Commerzbank Zrt. in Hungary, the Bank's branches in the Czech Republic and Slovakia as well as the investments in a number of microfinance banks and in the Open Joint-Stock Company Promsvyazbank ("Promsvyazbank") in Russia.

The segment's main revenue source is BRE Bank. As a universal bank BRE Bank offers its customers customized products and services. In its corporate banking business BRE Bank concentrates on supporting large corporate customers and fast-growing mid-sized businesses. Under the mBank and MultiBank brands BRE Bank offers private customers an extensive range of products and services. While MultiBank concentrates primarily on affluent private customers and business owners, mBank is focused primarily on active Internet banking users via its direct banking platform.

Strategically, Bank Forum focuses on corporate banking for mid-sized Ukrainian businesses and, selectively, large Ukrainian corporates. In retail banking Bank Forum concentrates primarily on affluent private customers.

In Slovakia and the Czech Republic, Commerzbank focuses mainly on large and mid-sized companies. In addition, it provides structured finance and project finance and advice for strategic investors. In the Czech Republic, Commerzbank also offers services in Private Banking.

In Russia, Commerzbank (Eurasija) SAO services as operating entity subsidiaries and branches of German and international companies and subsidiaries of larger Russian companies. The range of services includes accounting and payment transactions, electronic banking, cash management, structured export and trade finance, document and credit transactions, bank card products as well as foreign exchange and money market transactions.

In Hungary Commerzbank Zrt. Services offers services for corporate customers. Its services include accounting, treasury and cash pooling, as well as financing as well as documentary and investment business.

Together with ProCredit Holding AG and international development agencies, Commerzbank holds minority stakes in six ProCredit banks in Albania, Bosnia-Herzegovina, Bulgaria, Kosovo, Romania and Serbia. These banks specialize in supporting small and mid-sized businesses in their respective countries with loans, and are active deposit-takers, receiving savings and time deposits from companies and individuals. The Group also holds together with international funding institutions, a minority stake in the Belarusian Bank for Small Businesses in Minsk to promote small and medium enterprises in Belarus. Also the group holds a minority stake in the Promsvyazbank, which is active in the Central and Eastern Europe strategically important Russian market as a universal bank.

Sales are primarily made through the operating units' own branch network. In corporate banking BRE Bank is represented in all of the main economic regions. In BRE Bank's private customer business mBank primarily offers its products via the Internet as well as through other direct marketing channels.

The distribution of the MultiBank is similar to the one of Bank Forum mainly through Financial Service Center and partner outlets.

Corporates & Markets Segment

The Corporates & Markets segment comprises the Group’s investment banking activities as well as the support of capital-market-oriented customers. It consists of the Group divisions Equity Markets & Commodities, Fixed Income & Currencies, Corporate Finance and Client Relationship Management as well as Research.

Equity Markets & Commodities offers a widely diversified and growing product range, including primarily derivatives for private and institutional investors. In addition to the equities asset class, the area sells commodities derivatives both as risk management solutions and as investment products for corporate and private customers.

Fixed Income & Currencies provides solutions for corporate customers in the asset classes fixed income, currencies and credit. The product range is comprehensive and ranges from standard transactions to tailored structured solutions. In foreign exchange and bond trading customers can carry out all regular foreign exchange and foreign exchange options transactions online. Through the Group's sales channels the products are also provided to the customers of the Private Customers and Mittelstandsbank segments.

Corporate Finance offers corporate customers a comprehensive range of financing solutions. The main products are equity issues, bonds and mortgage bonds, loans as well as LBO financing and project finance. In addition, the division provides mergers and acquisitions advisory services. A focus of corporate finance business is on supporting the Group’s domestic corporate customers. The focus is reflected in the regional structure of the business with a clear emphasis on Germany and the close integration with the Mittelstandsbank. With respect to equity issues for customers the close cooperation with the Cash Equities and Research units is also key.

Client Relationship Management serves well-known German multi-national companies as well as selected family companies in all key industrial sectors, international insurance companies, foreign companies, leading private equity investors as well as the Federal Government and the individual states. The product range comprises all of the Group's commercial and investment banking products. This involves working hand in hand with the relevant product specialists, e.g. from Debt Capital Markets, Equity Capital Markets, Leveraged Finance as well as Sales and Trading.

Important sales channels for this Group division include a large network of international private banks, the distribution networks of universal banks (financial intermediaries) as well as German and European stock exchanges (public distribution). Support for corporate customers is provided by the Group’s own branch network in Germany and abroad, own sales specialists for large customers, sales specialists based across the country and a team of client advisors for multinational companies based in Frankfurt am Main. Institutional customers are generally served by sales teams in Frankfurt am Main and London, as well as New York, Singapore and Hongkong.

Asset Based Finance Segment

The Asset Based Finance segment groups together the results of the Commercial Real Estate (CRE) Germany, CRE International, Public Finance, Asset Management and Leasing, and Ship Finance Group divisions.

CRE Germany, CRE International and Public Finance belong almost completely to Eurohypo and to a lesser extent to Erste Europäische Pfandbrief- und Kommunalkreditbank Aktiengesellschaft in Luxemburg ("EEPK"). Asset Management and Leasing primarily includes the activities of Commerz Real AG ("Commerz Real"). And finally Ship Finance groups together the Group's ship financing in Deutsche Schiffsbank Aktiengesellschaft ("Deutsche Schiffsbank") and Commerzbank.

Commercial Real Estate and Public Finance

The Commercial Real Estate Group division focuses on commercial real estate financing in Germany and in other international markets. The services range from classic fixed interest rate loans to structured finance and financial market products.

The Public Finance Group division conducts the public finance business with the public sector in Germany (Federal Government and individual states), the governments of the G8 states, the EU and the European Economic Area, the member states of the Organization for Economic Cooperation and Development (OECD) and Switzerland. In addition to classic medium- and long-term finance (loans and bonds), the product range includes structured finance and derivative instruments. As part of its risk strategy the Group division operates selectively with regard to country risk and works with a broad regional spectrum of potential borrowers. The lending business is primarily refinanced through issues of public-sector *Pfandbriefe* (covered bonds) and *Lettres de Gage Publiques* (Luxembourg) as well as through the market on which short-term liquidity is traded on a collateralized basis (repurchase (repo) market).

Product sales are based largely on the continuous and long-term business relationships which the Group division has with most of its customers. Internationally, the Public Finance Group division is supported by sales units based in Luxembourg and New York.

Asset Management and Leasing

The Group division’s focus is on the provision of investment products for private and institutional investors, such as open- and closed-end real estate funds and closed-end funds for ships, aeroplanes and renewable energy. The open-ended real estate funds are characterized by a broad international diversification of portfolio assets. The focus of investment is on the sectors office, trading and logistics.

A further focus of activities is the Structured Investments unit, which comprises the activities of real estate leasing, large-scale plant and equipment leasing (e.g. ships, power plants and transmission networks) and structured finance. The product range includes solutions for customer-specific investment plans, such as the development of tax-neutral and balance sheet-neutral solutions. In addition, the business area offers financing concepts structured on an individual basis, such as the transfer of pension liabilities or public private partnerships for municipal utilities and waste disposal facilities.

The product range is rounded off with the equipment leasing business, which is divided into the three traditional product areas of plants and machinery, vehicles and IT equipment. In addition, this area comprises innovative financial models for intangible assets such as brands and patent leasing.

Commerz Real uses different sales channels depending on the product area. The funds are sold both through the Group’s branch network and through third-party channels. Structured Investments and equipment leasing are distributed through the sales network of the Mittelstandsbank and the large customer centers, through own branches, through subsidiaries and third-party distributors.

Ship Finance

Following the integration of Dresdner Bank, all of the Group’s ship financing activities are being brought together within Deutsche Schiffsbank, which has its headquarters in Hamburg and Bremen and Commerzbank. The Ship Finance activities are focused on the management of existing loan commitments and on the necessary restructuring of current exposures. Deutsche Schiffsbank offers its customers a broad range of maritime financial services in its target markets of Germany, Greece and Asia. It provides its customers a broad range of financial services from the loan to structured financing solutions, access to capital and international investors to research and derivatives as well as the comprehensive product range of a universal bank.

Portfolio Restructuring Unit Segment

The Portfolio Restructuring Unit segment is responsible for managing down assets related to discontinued proprietary trading and investment activities which no longer fit into Commerzbank’s client-centric strategy. The segment's goal is to reduce the portfolio in such a way as to preserve maximum value. The positions managed by this segment include asset-backed securities not guaranteed by the state, other structured credit products, proprietary trading positions in corporate or financial bonds and exotic credit derivatives. These positions were mainly transferred from the Corporates & Markets and Asset Based Finance segments to the Portfolio Restructuring Unit.

Others and Consolidation Segment

The Others and Consolidation segment contains the income and expenses which are not attributable to the operational business segments. The costs of the service units are also shown under Others, which – except for integration and restructuring costs – are charged in full to the segments. Consolidation includes expenses and income items that reconcile the internal management reporting figures shown in the segment reports with the Group financial statements prepared under IFRS. The costs of the Group controlling units are also shown here, which – except for integration and restructuring costs – are also charged in full to the segments.

Group management, which is shown in this segment, includes the staff and management functions for the Group. These comprise among others the units Group Development & Strategy, Group Communications, Group Human Resources, Group Finance, Group Compliance and Group Legal. Furthermore the segment includes equity participations which are not assigned to the operating segments as well as other international asset management activities and Group Treasury.

Treasury is responsible for the liquidity management, interest rate management and capital management as well as money market-trading and managing of the Group's balance sheet structure. Other responsibilities of Group Treasury include central management of the Bank's interest rate and currency risk, the management of the internal interest rate netting and investment models.

The services used by all units of the Group such as information technology, payment transactions and securities management are provided by the Group Services business area, which consists of the support units Group Organization, Group Information Technology, Group Security, Group Support, Group Banking Operations and Group Markets Operations.

Principal Markets

Commerzbank's business activities are mainly concentrated on the German market, where as an integrated provider of financial services, it maintains a nationwide branch network for offering advice and selling products to all its groups of customers. In addition, the Bank is also active in Central and Eastern Europe via its branches and investments in Poland, Ukraine and Russia.

Major group companies and holdings

In Germany

Atlas Vermögensverwaltungs-Gesellschaft mbH, Bad Homburg v.d.H.
comdirect bank AG, Quickborn
Commerz Real AG, Eschborn
Deutsche Schiffsbank AG, Bremen/Hamburg
Eurohypo AG, Eschborn
Süddeutsche Industrie-Beteiligungs-GmbH, Frankfurt am Main

Abroad

BRE Bank SA, Warsaw
Commerzbank Capital Markets Corporation, New York
Commerzbank (Eurasija) SAO, Moscow
Commerzbank Europe (Ireland), Dublin
Commerzbank International S.A., Luxembourg
Commerzbank (South East Asia) Ltd., Singapore

Commerzbank Zrt., Budapest
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg
Joint Stock Commercial Bank "Forum", Kiev

Further information on the holdings in affiliates and other companies is contained in the management report and Group financial statements 2009 of Commerzbank which is incorporated by reference into this Prospectus (please see pages 413 - 453 of Supplement C dated April 15, 2010 to the Base Prospectus dated June 8, 2009 relating to the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (see page 134 of this Base Prospectus)).

Administrative, Management and Supervisory Bodies

Board of Managing Directors

The Board of Managing Directors currently consists of the following members:

Martin Blessing, Frankfurt am Main, Chairman
Group Management: Group Development & Strategy, Group Communications, Group Legal, Group Treasury

Frank Annuscheit, Frankfurt am Main
Group Services: Group Information Technology, Group Organisation, Group Banking Operations, Group Markets Operations, Group Security, Group Support

Markus Beumer, Frankfurt am Main
Segment Mittelstandsbank: Mittelstand Region 1, Mittelstand Region 2, Large Customers, Corporate Banking, Corporates International, Financial Institutions, COO

Dr. Achim Kassow, Frankfurt am Main
Segment Central & Eastern Europe: Eastern Europe, Central Europe, CEO, BRE Bank, COO

Jochen Klösges, Frankfurt am Main
Segment Asset Based Finance: CRE Germany, CRE International, Eurohypo Retail, Public Finance, Real Estate Asset Management, Ship Finance, COO

Michael Reuther, Frankfurt am Main
Segment Corporates & Markets: Equity Markets & Commodities, Fixed Income Trading, Corporate Finance, Fixed Income Sales, Client Relationship Management, Research, London, America, COO

Dr. Stefan Schmittmann, Frankfurt am Main
Group Management: Group Credit Risk Management, Group Risk Controlling & Capital Management, Group Market Risk Management, Group Intensive Care

Ulrich Sieber, Frankfurt am Main
Group Management: Group Human Resources, Group Integration

Dr. Eric Strutz, Frankfurt am Main
Group Management: Group Compliance, Group Finance, Group Finance Architecture, Group Audit; Segment Portfolio Restructuring Unit

Martin Zielke, Frankfurt am Main
Segment Private Customers: Private and Business Customers, Wealth Management, Direct Banking, Kredit, COO

Supervisory Board

The Supervisory Board currently consists of the following members:

Klaus-Peter Müller, Chairman, Frankfurt am Main
Uwe Tschäge, Deputy Chairman, Commerzbank AG, Düsseldorf
Hans-Hermann Altenschmidt, Commerzbank AG, Essen
Dott. Sergio Balbinot, Managing Director of Assicurazioni Generali S.p.A., Trieste
Dr.-Ing. Burckhard Bergmann, former chairman of the Board of Managing Directors of E.ON Ruhrgas AG, Hattingen
Dr. Nikolaus von Bomhard, Chairman of the Board of Managing Directors of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, Munich
Karin van Brummelen, Commerzbank AG, Düsseldorf
Astrid Evers, Commerzbank AG, Hamburg
Uwe Foullong, Member of the ver.di National Executive Committee, Berlin
Daniel Hampel, Commerzbank AG, Berlin
Dr.-Ing. Otto Happel, Entrepreneur, Luserve AG, Lucerne
Sonja Kasischke, Commerzbank AG, Brunswick
Prof. Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel, President of the Federation of German Industries (BDI), Essen
Alexandra Krieger, Head of Division Economics, Department Codetermination of Hans-Böckler-Stifung, Düsseldorf
Dr. h.c. Edgar Meister, Lawyer, former Member of the Executive Board of Deutsche Bundesbank, Kronberg im Taunus
Prof. h.c. (CHN) Dr. rer. oec. Ulrich Middelmann, former Deputy Chairman of the Board of Managing Directors of ThyssenKrupp AG, Düsseldorf
Dr. Helmut Perlet, former Member of the Board of Managing Directors of Allianz SE, Munich
Barbara Priester, Commerzbank AG, Frankfurt am Main
Mark Roach, Trade Union Secretary, ver.di National Administration, Berlin
Dr. Marcus Schenck, Member of the Board of Managing Directors of E.ON AG, Düsseldorf

The members of the Board of Managing Directors and of the Supervisory Board can be reached at the business address of the Issuer.

Potential Conflicts of Interest

In the 2009 financial year and until the date of this Prospectus, the members of the Board of Managing Directors and the members of the Supervisory Board were involved in no conflicts of interest as defined in sections 4.3 and 5.5, respectively, of the German Corporate Governance Code.

Potential conflicts of interest could occur with the following members of the Board of Managing Directors due to their additional membership in supervisory boards of Commerzbank AG's subsidiaries:

Mr Annuscheit (comdirect bank AG), Mr Beumer (Commerz Real AG), Mr Kassow (comdirect bank AG) Mr Klösges (Deutsche Schiffsbank AG, Commerz Real AG), Dr. Schmittmann (Commerz Real AG).

Currently, there are no signs of such conflicts of interest.

Major Shareholders

Based on the shareholder disclosure pursuant to sections 21 et seq. of the German Securities Trading Act (WpHG) Commerzbank has received, the following shareholders own more than 3 % of Commerzbank's ordinary share capital:

Name of shareholder	**Share of voting rights[1] (in %)**
Finanzmarktstabilisierungsfonds/ Sonderfonds zur Finanzmarktstabilisierung (SoFFin)............	25.0[2]
Allianz SE	9.48
Generali Beteiligungs-GmbH......................	4.84

(1) The percentage shares have been rounded.
(2) SoFFin holds 25% plus one share.

Historical Financial Information

The audited non-consolidated annual financial statements of Commerzbank for the financial year ended December 31, 2009 and the audited consolidated annual financial statements of Commerzbank for the financial years ended December 31, 2008 and 2009 are incorporated by reference into, and form part of, this Base Prospectus.

Auditors

The auditors of the Bank for the 2008 and 2009 financial years were PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Olof-Palme-Straße 35, 60439 Frankfurt am Main, Federal Republic of Germany, who audited the annual consolidated financial statements of Commerzbank Aktiengesellschaft for the financial years ended December 31, 2008 and 2009, giving each of them their unqualified auditor's report.

Furthermore, the auditors have reviewed the condensed consolidated interim financial statements of Commerzbank Aktiengesellschaft as of September 30, 2010.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft is a member of the Chamber of Chartered Accountants (*Wirtschaftsprüferkammer*).

Interim Financial Information / Trend Information

The interim report as of September 30, 2010 (reviewed) is incorporated by reference into, and forms part of, this Base Prospectus. The consolidated financial statements as of December 31, 2010 (abridged English version) are incorporated by reference into, and form part of this Base Prospectus

Since December 31, 2009 no material adverse changes in the prospects of the issuer have occurred.

Since September 30, 2010 no significant change in the financial position of the issuer has occurred.

Material Contracts

Acquisition of Dresdner Bank

On August 31, 2008, Commerzbank and Allianz signed a transaction agreement (the "Transaction Agreement") that provided for the sale and transfer of Dresdner Bank shares held by Allianz to Commerzbank in two stages. On November 27, 2008 Commerzbank and Allianz agreed in a new version of the Transaction Agreement (the "Transaction Agreement (Amended)") to accelerate the full acquisition of Dresdner Bank to January 2009. On January 9, 2009 Allianz and Commerzbank entered into a supplementary agreement to the Transaction Agreement (Amended). In this agreement, Allianz undertook (1) to reduce the capital resources tied up at Dresdner Bank by acquiring certain securities of Dresdner Bank with a nominal value of EUR 2.0 bn for EUR 1.1 bn and (2) to strengthen the capital base of Dresdner Bank and, after the signing of the supplementary agreement, Commerzbank by making a silent contribution of EUR 750 million pursuant to sections 230 et seq. of the German Commercial Code (HGB). The silent participation is entitled to a profit participation consisting of fixed interest of 9 % p.a. on the nominal value of the contribution plus additional dividend-linked remuneration of 0.01 % p.a. for each full EUR5,906, 764 cash dividend paid.

In implementation of the Transaction Agreement (Amended) Commerzbank and Allianz, Allianz Lebensversicherungs-Aktiengesellschaft ("Allianz Leben"), AZ-Asopos Vermögensverwaltungs-gesellschaft oHG ("AZ-Asopos") and Allianz Finanzbeteiligungs-GmbH ("Allianz Finanz", Allianz Leben, AZ-Asopos and Allianz Finanz are hereinafter collectively referred to as the "Allianz-Companies") entered into an agreement on January 9, 2009 with respect to the provision of non-cash contributions (the "Non-Cash Contribution Agreement") under which the Allianz Companies contributed all of the Dresdner Bank shares held by them, 537,257,149 shares in total, by way of non-cash contribution to Commerzbank.

The consideration in the amount of EUR 4.7 bn consisted of the following components: The Allianz Companies subscribed to the non-cash capital increase and acquired a total of 163,461,537 no-par-value shares of Commerzbank. Commerzbank transferred all shares in the cominvest Group in the value of EUR 0.7 bn. Furthermore, Commerzbank paid the Allianz Companies a total of EUR 2.3 bn in cash.
On August 31, 2008 Commerzbank and Dresdner Bank, with the participation of Allianz signed an agreement in principle on the merger between Commerzbank and Dresdner Bank. The three parties agreed *inter alia* that the existing distribution cooperation between Allianz and Dresdner Bank in assurbanking would in the future be operated directly by Allianz via a bank subsidiary. In addition, Commerzbank and Allianz have agreed upon the conclusion of long-term distribution agreements between Commerzbank and Allianz and their respective subsidiaries as part of a comprehensive sales cooperation in Germany.

On June 4, 2009 Commerzbank and AZ-Arges Vermögensverwaltungsgesellschaft mbH entered into an agreement with respect to the creation of a silent partnership in the amount of EUR750 million. As consideration for the provision of the silent partnership, the agreement provides for a profit participation of Allianz consisting of fixed interest of 9 % p.a. on the nominal value of the contribution plus additional dividend-linked remuneration of 0.01 % p.a. for each full EUR5,906, 764 cash dividend paid.

Utilization of SoFFin Stabilization Measures by Commerzbank

On November 2, 2008, and January 7, 2009, Commerzbank applied to the SoFFin for stabilization measures as provided for in the German Financial Market Stabilization Fund Act (the "FMStG"). The terms and conditions of these measures are described in more detail in the framework agreement of December 19, 2008, and the supplementary agreement of May 14, 2009, each between Commerzbank and the SoFFin.

On May 7, 2009, the European Commission declared that the stabilization measures granted to Commerzbank were in principle compatible with state aid provisions of the EC Treaty. However, for competition law reasons the Commission imposed a number of conditions on Commerzbank to which Commerzbank agreed to comply with in contract with SoFFin. Such conditions include (1) the reduction of the Group's total assets, (2) the disposal of Eurohypo by 2010 as well as of several investments by 2011, (3) a ban, applicable until April 2012, on acquiring other financial institutions and (4) restrictions on the terms and conditions that may be offered to customers (in market segments in which Commerzbank not only has a minor market position (a market share of more than 5 %), especially in the private customer and corporate banking business) up to December 31, 2012 to offer no more favorable prices for its products and services than the three most favorable competitors.

Such conditions were included in the framework agreement for the granting of stabilization measures between the SoFFin and Commerzbank as obligations of Commerzbank and were in parts already fulfilled by Commerzbank.

In response to the financial market crisis Commerzbank and SoFFin, represented by the Financial Market Stabilization Agency ("FMSA") signed an agreement on December 19, 2008 (amended on June 3, 2009 and restated on June 22, 2010) on the establishment of a silent partnership and on June 3, 2009 a further agreement (restated on June 22, 2010) on the establishment of a further silent partnership. On the basis of such agreements SoFFin contributed a silent participation of EUR 8.2 bn and on June 4, 2009 a further silent participation of EUR 8.2 bn to Commerzbank. Furthermore, SoFFin received 295,338,233 no-par-value shares in Commerzbank at an issue price of EUR6.00 from the capital increase against cash contribution resolved upon by the Annual General Meeting held on May 16, 2009. As a result of this capital increase, the SoFFin holds a stake of 25.0% plus one share in Commerzbank at the date of this Prospectus. In addition, SoFFin as guarantor and Commerzbank as guarantee signed an agreement on December 30, 2008 regarding the provision of guarantees up to EUR 15 bn for certain bearer bonds. A guarantee volume thereof of EUR 10bn was returned unused.

In return Commerzbank undertook to ensure that it remains adequately capitalized and to conduct its business on a cautious, sound and sustainable basis by de-risking, deleveraging and reducing its commercial real estate portfolio. The recapitalization measures are subject to the special terms and conditions that Commerzbank inter alia (1) provides German small and medium-sized enterprises with loans at normal market rates, subject to the bank’s credit rating criteria, (2) establishes a special lending fund for German small and medium-sized enterprises with a new lending volume of EUR 2.5 bn, (3) aligns its remuneration systems for management and members of its corporate bodies to the sustainable long-term performance and profitability of the Group, (4) ensures that the monetary remuneration of the members of its corporate bodies does not exceed the gross amount of EUR500,000 per member per year in respect of their work for the Group, (5) adjusts and restructures its compensation systems for members of its corporate bodies in such a way as to eliminate any compensation in case of premature termination of service contracts existing at the time the framework agreement was concluded insofar as such compensation is not contractually or legally prescribed, and/or, in cases where service contracts are concluded after the execution of the framework agreement, to refrain from including such arrangements for compensation in the event of premature termination or change of control, (6) in the 2008 and 2009 fiscal years not pay a dividend for the respective previous years, (7) not reduce its capital except for restructuring purposes and not buy back any shares or other components of the bank’s liable capital, (8) in the 2009 and 2010 fiscal years pay interest and dividends on profitparticipating equity instruments such as silent participations, hybrid capital and profit participation certificates only if it is required to do so without releasing any reserves or special reserves pursuant to section 340g of the German Commercial Code (HGB).

Legal and Arbitration Proceedings

During the previous twelve months, there were no governmental, legal or arbitration proceedings, nor is the Bank aware of any such proceedings pending or threatened, which may have, or have had in the recent past significant effects on the Bank's and/or Group's financial position or profitability.

Recent Developments

The subscibed capital of Commerzbank was increased by means of a contribution in kind of 118,135,291 shares on January 25, 2011. The new shares were issued against the contribution of hybrid equity instruments (Trust Preferred Securities) issued by companies of the Commerzbank group. Subsequently, the German Financial Market Stabilisation Fund (SoFFin) has converted a portion of its silent participations into shares in order to maintain its equity interest ratio in Commerzbank (25% plus one share). This will result in silent participations with a nominal value of approximately EUR 221 million being converted into 39,378,430 shares, using the conditional capital authorized in the 2009 Annual General Meeting of shareholders.

With the execution of both capital measures, the total number of Commerzbank shares has increased to 1,338,866,647 shares.

Rating

The following table shows the ratings of the issuer at the date of the prospectus:

Rating agency	Long-term Rating	Short-term Rating
Standard & Poor´s	A	A-1
Moody´s Investors Service	A2	P-1
Fitch Ratings	A+	F1+

The information regarding the Rating has been accurately reproduced and no facts have been omitted which would render the rating-information inaccurate or misleading.

In accordance with the EU-Regulation No. 1060/2009 Commerzbank confirms that each of the above-mentioned rating agencies with a seat in the European Community has applied for registration under this regulation.

DOCUMENTS INCORPORATED BY REFERENCE

All of the following documents incorporated by reference in this Base Prospectus have been published in a base prospectus or supplement to a base prospectus in each case deposited with and approved by the German Federal Financial Supervisory Autorhity (Bundesanstalt für Finanzdienst-leistungsaufsicht). The parts of the respective base prospectus or supplement to a base prospectus which are not incorporated by reference herein are not relevant to the investor.

The "Terms and Conditions" of the Former Base Prospectus (see page 72 of this Base Prospectus) shall be incorporated by reference and form part of this Base Prospectus.

The following documents were published in the Supplement A dated April 27, 2009 to the Base Prospectus dated February 12, 2009 for Inline Warrants relating to Shares, Indices and Currency Exchange Rates of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Management Report and Group Financial Statements 2008

Management report	p. 81 – 200
Income statement	p. 205
Balance sheet	p. 206
Statement of changes in equity	p. 207 – 208
Cash flow statement	p. 209 – 210
Notes	p. 211 – 307
Group auditors' report	p. 308
Holdings in affiliated and other companies	p. 309 - 333

The following documents were published in the Supplement C dated April 15, 2010 to the Base Prospectus dated June 8, 2009 relating to the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Financial Statements and Management Report 2009 of the Commerzbank AG

Management report (incl. Risk Report)	p. 2 – 70
Profit and Loss Account	p. 71
Balance sheet	p. 72 – 73
Notes	p. 74 – 105
Auditors' report	p. 106

Commerzbank Group Annual Report 2009

Reports	p. 108 – 276
Comprehensive statement of income	p. 281 - 284
Balance sheet	p. 285
Statement of changes in equity	p. 286 – 287
Cash flow statement	p. 288 – 289
Notes	p. 290 - 399
Auditors' report	p. 406
Holdings in affiliated and other companies	p. 413 - 453

The following document was published in the Base Prospectus as of November 24, 2010 relating to Reverse Convertible Notes of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Interim Report of the Commerzbank Group as of September 30, 2010 (reviewed English version)

Interim Management Report	p. 107 - 124
Interim Risk Report	p. 125 - 148
Interim Financial Statements	p. 149 - 189
Significant subsidiaries and associates	p. 190

The following document was published in the Base Prospectus as of February 24, 2011 relating to Warrants of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Consolidated financial statements as of December 31, 2010 (Abridged version without audit opinion**)**

Statement of comprehensive income	p. 130 - 133
Balance Sheet	p. 134 - 135
Statement of changes in equity	p. 136
Selected notes	p. 137 - 157
Boards of Commerzbank Aktiengesellschaft	p. 158
Significant subsidiaries and associates	p. 159

Documents incorporated by reference have been published on the website of the Issuer (www.commerzbank.com).

Frankfurt am Main, March 17, 2011

C O M M E R Z B A N K
AKTIENGESELLSCHAFT

by: Borinski

by: Jung